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East Asia

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Chairman of Law, Restoration Discusses Border Trade

42000085a Rangoon *THE WORKING PEOPLE'S DAILY* in English 28 Dec 88 p 6

[Article by NAB]

[Text] Rangoon, 20 Dec—Chairman of the Tenasserim Division Law and Order Restoration Council No 3 Tactical Operation Commander of the South-East Command Col Tha Win, accompanied by Chairman of the Mergui Township Sector Law and Order Restoration Council Lt-Col Tun Myint and members, the Acting Commanding officer of the No 17 Burma Regiment and Tatmadaw officers, Township Law and Order Restoration Council members, and officials of the Township Development Committee and Ports Corporation, inspected the Mergui airfield and the Mergui Port yesterday morning.

They also gave necessary instructions for removal of shrubs and bushes and squatter huts, redrawing of traffic signs, repairing of pavements and taking of measures for making Mergui and its port pleasant.

The chairman of the Divisional Law and Order Restoration Council had discussions with members of the Township Sector and Township Law and Order Restoration Councils, the commander of the No 38 Naval Base, the acting commanding officer of the No 17 Burma Regiment, the Divisional Forest Department head, the Divisional Fisheries Department head, the manager of the Divisional Fisheries Corporation, the port officer and the Township Customs Department head at the meeting hall of the Mergui Township Law and Order Restoration Council office yesterday afternoon.

Matters relating to availability of boats for border trade business and rules and regulations for getting fishing license of the boat inspection committee were discussed at the meeting.

The chairman of the Divisional Law and Order Restoration Council also spoke on the need for the responsible personnel to give clarifications on collecting of customs duty on import and export items to the people and to make the people understand to pay customs duty and do fair business.

Editorial Defends Rewards for Bringing Students Back

42000085b Rangoon *THE WORKING PEOPLE'S DAILY* in English 26 Dec 88 p 5

[Editorial: "In Response to Sincere Efforts"]

[Excerpts] In addition to multifarious duties, the State Law and Order Restoration Council is striving for the safe return of misguided students. As continuous and unremitting efforts have been made towards this end encouraging results have been achieved. The sincere attempts have been recognized by Thailand which readily extends a helping hand in this endeavour. [passage omitted]

The number of students who fled to the Thai border areas was estimated at 3,000 and the number of students who have returned is almost 1,700 and so about 1,000 students remain there. [passage omitted]

There are however some who are trying to hinder the progress of work thus achieved in bringing the students back to the bosoms of their parents. One such attempt is a slander spread by some political parties to the effect that the Government's offering of a reward of 5,000 bahts to anyone who personally brings in a student to the Burmese Embassy in Thailand is like the award given for the seizure of bandits during the British rule and that it amounts to getting people [to] arrest the students. The reward is offered for practical reasons. The Burmese students have reached various places in Thailand and are faced with many difficulties. The reward is offered as a token of gratitude to those who bring in the students to enable them to cover the expenses such as travelling allowances. [passage omitted]

Country Seeks Expanded Economic Ties With India

42130055b Jakarta MERDEKA in Indonesian
26 Jan 89 p 8

[Text] Jakarta, Wednesday [25 January], ANTARA—The Indian ambassador to Indonesia, Ranjit Singh Kalha, wants economic ties between Indonesia and India to be expanded, although relations between the two countries have developed well during the last several years.

In an interview in Jakarta in connection with Republic of India Day on 26 January, Kalha said Indonesia-India trade relations need to be expanded quickly, although the volume of trade between the two countries grew from \$58 million in 1985 to \$100 million in 1988.

"Noting the various steps taken by businessmen in both countries, the current level of trade can easily be multiplied in the next 2 years," he said.

In the second meeting of the Indonesia-India Joint Trade Council, which was held in New Delhi on 16 and 17 November 1988, it agreed to take effective steps to expand bilateral trade.

It was decided in that meeting to set an Indonesia-India trade target of \$350 million by 1990.

The major commodities that Indonesia exports to India include palm oil, basic chemicals, rubber, leather, and dyes. "The principal commodities that India exports to Indonesia are machinery for textile and leather factories, synthetic organic dyes, transportation equipment, yarn, iron, and steel," he said.

Kalha contradicted the opinion that there is a misunderstanding between businessmen in the two countries that could hinder expansion of bilateral trade.

The Indian ambassador feels that such a view arose because business opportunities in each country are not well known by either side.

"In the business world, businessmen will come to a country if they believe they can make a profit in that country. Similarly, they will not come if they feel there is no profit to be had," he said.

Kalha declared that what must be done is the creation of an awareness of business opportunities in both Indonesia and India, so that both countries will profit from such business.

He feels, therefore, that the two governments need to improve the climate for more interaction between businessmen in both countries so that they will be able to learn about each other.

Ambassador Kalha revealed that the Indian and Indonesian Governments are now trying to remove several problems that have hindered expansion of bilateral trade.

Obstacles

He said that one obstacle to bilateral trade is the lack of direct shipping between Indonesia and India.

Shipments from Indonesia to India, and vice versa, are made via Singapore.

The lack of direct shipping connections causes problems, because shipments incur delays and duties," he said.

"For example, if goods shipped from Indonesia must arrive in India by 15 November, they may not reach their destination on time because of lack of ships from Singapore," he explained.

When asked about the sectors in which cooperation should be increased, Kalha said there are many, such as industry, agriculture, education, science, and technology. He hopes that interaction between college students, artists, authors, and reporters in both countries can be further expanded.

President Stresses Development of Small-Scale Industries

42130055a Jakarta MERDEKA in Indonesian
25 Jan 89 p 9

[Text] Jakarta, Tuesday [24 January], MERDEKA—President Suharto hopes that development of small-scale industry in the villages will be expanded, for small-scale industry has a very significant impact on raising the income of the people and on accelerating the growth of village economy.

The head of state expressed these expectations on Tuesday at the Bina Graha in a meeting with Minister of Agriculture Wardoyo, Ministry of Industry Hartarto, Junior Minister of Agriculture Syarifudin Baharsyah, and the Junior Minister of Industry, who had come to report on the outcome of the Integrated Working Meeting of the Departments of Industry and Agriculture, which was held in Jakarta last week.

According to Minister of Agriculture Syarifudin Baharsyah, the president also asked that all the decisions of the working meeting be implemented in the best possible way.

Furthermore, the Departments of Agriculture and Industry are continuously maintaining good coordination at both central and regional levels and are expanding coordination with other related authorities in their efforts to develop small-scale industries.

Similar coordination is also maintained with banks.

Junior Minister of Industry T. Ariwibowo also explained that the Integrated Working Meeting agreed to form a Permanent Working Commission at the central government level. The commission, whose members will come from the two departments, will plan a work program to implement the decisions of the working meeting.

The most important aspects of implementation will be in the provinces, for which coordination will be performed by the regional offices of the Departments of Industry and Agriculture and by the Industrial Service and the Agricultural Service. Coordination with other authorities, such as banks and regional offices of the Department of Trade, must be constantly encouraged for the sake of developing small-scale industries.

The emphasis of this coordination and interaction will be on accelerating development of industries that can improve incomes in the villages. Cooperatives are the business organizations that will be used.

Ariwibowo said that prior to the Integrated Working Meeting identification actually had been made of agricultural product industries that are to be expanded and that such industrial activities and related commodities already exist.

He said that interaction between the agricultural and industrial sectors is, in fact, already under way. Examples of industries that support agriculture are those that produce fertilizer, food for livestock and fish, farm implements, postharvest implements, harvesting tools, etc.

Similarly, there are many industrial operations for processing agricultural products. The manufacture of foods from fruit and fish is one example out of many.

"The important thing now is to expand further the efforts that have already been made," Ariwibowo said.

Yogyakarta Announces New Sultan

42130053c Jakarta *SUARA KARYA* in Indonesian
10 Jan 89 p 1

[Excerpts] Yogyakarta, *SUARA KARYA*—The sultanate family has unanimously selected Pangeran Mangkubumi as heir of the position of sultan of Yogyakarta, succeeding the late Sri Sultan HB [Hamengku Buwono] IX. The official announcement was read on Monday [9 January] at 2000 hours by G.B.P.H. Hadikusumo, SH [Master of Laws], as highest palace official for secretariat and personnel matters.

A plenary council of the palace family was held on Monday afternoon from 1200 to 1425 hours for the purpose of determining the future of the sultanate. Of the 30 relatives authorized to attend the council, only two were unable to be present, namely the children of the late K.R. Ay Ciptomurti HB IX.

The meeting, which was led by Pangeran Mangkubumi as chairman of the Sultanate Governmental Board, proceeded with warmth and in a family spirit. The official announcement, which was made in the Bagongan language, the special language of the Yogyakarta palace, did not mention whether Pangeran Mangkubumi will use the title "Sultan HB X" or not. It said only that other matters related to the sultanate will be handled as quickly as possible in accordance with customs and traditions of the Yogyakarta palace. [passage omitted]

Sole Candidate

Following his participation in the confession of faith, Mangkubumi explained to reporters that the selection by the palace family involved only one candidate. "Thus, it is not true that there are cliques in the palace and that opportunities were the same for other candidates," he said emphatically.

In connection with the absence of mention in the announcement as to Mangkubumi's use of the title "HB X," the heir to the throne explained that it is a legal and protocol matter. Therefore, he will promptly hold a meeting of the Sultanate Governmental Board to expand further the announcement made by G.B.P.H. Hadikusumo. He also said the board will immediately have meetings with ministers to discuss, among other things, the coronation and related matters.

Mangkubumi speculated that the coronation will be held either on his birthday, 12 March, or on the day HB I ascended the throne, which is 13 March.

Enrolment Increases in Islamic Boarding Schools

42000093 Jakarta *ANTARA NEWS BULLETIN*
in English 14 Jan 89 p A-2

[Text] Jakarta, Jan 14 (ANTARA)—A total of 1,084,801 Indonesians are at present studying at Islamic boarding schools (pesantrens) found throughout Indonesia, according to data obtained from the Public Relations Section of the Religious Affairs Ministry.

The Islamic students, locally called santri, are pursuing knowledge on Islamic teachings and other worldly sciences at 6,239 pesantrens under the guidance of 33,147 kyais (traditional Moslem scholars) and Islamic teachers.

The figure was an increase of nearly one half-fold compared to the figure reported in 1982, when the number was recorded at 735,417 santris studying at 4,890 pesantrens.

The data show that the majority of the santris are studying at the pesantrens established in the West and East Java provinces, totalling 369,247 and 299,741 santris respectively.

Of the pesantrens, 2,749 are found in West Java and 1,877 in East Java.

Central Java and Aceh are registered as the provinces having over 100 pesantrens, with 830 and 349 pesantrens respectively.

Official Stresses Role of Students in 'National Resilience'

42130055c Jakarta PELITA in Indonesian
28 Jan 89 p 2

[Text] Bogor, PELITA—Pangdam [Commander of Military Region] III/Siliwangi Major General Arie Sudewo called on college students to pioneer and motivate the development of national resilience, which is a major prerequisite for national development.

The Pangdam made this call on Thursday [26 January] at the IPB [Bogor Agricultural Institute] campus in a public speech on the role of students in developing national resilience. The speech was sponsored by the Sema [Student Federation] of the institute's Faperta [Agriculture Faculty] and Fmipa [Faculty of Mathematics and Natural Science].

According to Arie Sudewo, the presence of students as both subjects and objects in the development of national resilience has a strategic influence because of their position as intellectuals.

Influential

This puts students in a position of considerable influence. Thus, said the Pangdam, who spoke without notes, it is natural and to be expected that certain parties will seek to have influence in student circles, especially on campuses.

In reply to student questions during a dialogue session following the speech, Arie Sudewo reemphasized that these influences among students by certain parties may have different forms. "The important thing is that students should be alert in the way they receive or reject any influences that may come," he declared. He added, "I am confident that students are not easily influenced by instigations or rumors that hurt the interests of national development."

He reminded them that in assisting and participating in the development of national resilience students must be aware of and understand their position in the spheres of campus and community. This is important, he said, because it is in these spheres that threats, obstacles, and challenges can be detected.

He said he heartily approves of the participation of students in practical politics as long as they follow the rules of the game established for the existing channels. "The main point is that disruption must be avoided," the Pangdam declared. Some students from outside the IPB were observed during the dialogue session.

Memorandum on Japanese Aid for Bus Project
BK1102153289 Vientiane Domestic Service in Lao
1200 GMT 10 Feb 89

[Text] A memorandum on gratis aid worth \$4 million from the Japanese Government for the second phase of a bus renovation project in Vientiane capital was signed on 8 February.

The memorandum stipulates that the aid is divided into two stages. In the first stage, some 50 buses will be handed over to Vientiane. In the second stage, the Japanese Government will help construct a bus repair workshop and bus terminal, and renovate the bus station at the morning market.

Savannakhet Party Chief Discusses Background, Goals

42060028a Vientiane PASASON in Lao
5 Dec 88 pp 2, 3

[Interview with Bounyang Vorachit, the secretary of the Savannakhet Provincial Party Committee and chairman of the Provincial Administrative Committee: "The Decisions by the Leadership Committee Are an Important Factor in Developing the Economy of the Locality;" date and place not specified]

[Excerpts] On the occasion of the election of the second group of provincial and municipal people's representatives, a PASASON reporter interviewed Mr Bounyang Vorachai, the secretary of the Savannakhet Provincial Party Committee and chairman of the Provincial Administrative Committee. He was elected to serve as a representative on the Savannakhet Provincial Council.

[Question] Would you tell us something about your personal life and how you feel about being a representative of the people?

[Answer] I participated in the revolution of 1952. At that time, I served with the Free Lao forces. In 1957 I went abroad to further my education. From 1960 to 1980 I served in the Lao People's Army. After the country gained full independence, I used my knowledge in an effort to defend and build the country. In 1982 I was appointed secretary of the Savannakhet Provincial Party Committee and chairman of the Provincial Administrative Committee. At the third and fourth party congresses, I was elected to the Party Central Committee. [passage omitted]

During the past 6-7 years, I have served as a leader in Savannakhet Province. During this period [passage omitted] the standard of living of the people in Savannakhet Province has improved greatly. This is particularly true for the hill tribesmen and people in remote areas such as Samouai, Nong, and Sepone districts. That is, we have achieved most of the basic objectives set for the province.

[Question] As the senior leader in Savannakhet Province and an elected representative of the people, what do you think needs to be done to improve the standard of living here?

[Answer] [passage omitted] We must mobilize everyone to participate in producing food and generating more income for the province. But in finding suitable strategies, we have to determine what is best in each period. This is a matter of conducting tests in administering things, particularly the economic system. For this reason, there will definitely be mistakes, and we will encounter problems in administering things. Our province has great potential with respect to agriculture and forestry. But in the past, we have not manifested this potential efficiently. [passage omitted]

Thongmani Thiphommachan Discusses Economic, Political Goals

42060028b Vientiane PASASON in Lao
3 Dec 88 pp 1, 2

[Excerpts from speech by Mr Thongmani Thiphommachan, a member of the Party Central Committee, deputy party general secretary, and deputy chairman of the Vientiane Capital Administrative Committee, on the occasion of the 13th National Day on 2 December 1988]

[Excerpts] [Passage omitted] In 1988, we implemented the resolution of the Party Central Committee congress and studied the resolutions of the fifth and sixth congresses, fourth term, of the Party Central Committee. [passage omitted] I would like to point out a few things that have taken place in the capital.

1. We have improved the cooperative system using a variety of forms in order to have good models. [passage omitted]
2. As for economic cooperation with the socialist and capitalist countries, we have taken steps to achieve results step by step. This has created good examples, such as the export sewing factory, the export lumber mill, and other factories in Vientiane Capital.
3. We have created good examples in using various economic sectors efficiently. This includes joint public-private companies in the trade, production, transportation, and other spheres. That is, there are now several good examples of joint partnerships and private companies that have achieved good results. This has helped to improve the social and economic situation. For example, the problems concerning consumer goods, oil, and so on have gradually improved.
4. As a result of using various economic sectors, we have learned more about trade and other things. We are now in a better position to help ourselves with respect to goods and financial matters and can fulfill our obligations to the state better.

5. Vientiane Capital has decided to change the basic economic units into business entities. Even though these units can't change everything at once or make a large profit immediately, they can still pay the salaries of their cadres and improve their material life and ensure the three benefits.

6. Vientiane Capital is the political, economic, and cultural center of the country. Foreign visitors arrive here frequently. The enemy is trying to stir up trouble using a variety of methods. But we have succeeded in defending the capital. We have mobilized people in every way in order to build a strong foundation in all respects. [passage omitted]

This past year, we did several things and achieved good results. But there are still things that we haven't been able to do and that are behind schedule. Some of the things done have not been in accord with the lines of the state and party. [passage omitted] The way to solve this problem is:

1. There must be a clear direction. Vientiane Capital must formulate a social and economic development plan.

2. The units must be inspected and given guidance in order to improve their quality. For example, the work of the administrative committees must be improved. [passage omitted]

3. The people must be mobilized to join partnerships in order to engage in production and various other activities, including exporting goods, producing sundry goods for domestic use, and building and improving the city.

4. The farmers in the capital must change their way of thinking and increase their scientific and technical knowledge. They must know how to improve agriculture and build a firm agricultural base in order to solve the food problem and provide sufficient food for themselves and the capital. Our human and material resources must be used more efficiently.

5. Steps must be taken to ensure that the capital has sufficient funds to support itself, pay teachers, and operate schools that teach political theory in order to build cadres. There must be funds to build a foundation so that the capital can become self-supporting.

6. There must be a plan to protect the capital economically, culturally, and socially so that the city is peaceful and orderly. This is the responsibility of everyone. The various classes, sectors, organizations, and localities and the center must work together.

7. There must be a clear division of administrative tasks between the capital and the ministries and between the capital and the districts so that everyone is sure of his responsibilities and emulates to carry out the tasks.

8. People must be mobilized and encouraged to take responsibility for building and protecting Vientiane Capital.

The following tasks must be carried out in 1989:

1. Attention must be given to organizing agriculture and forestry so that they make progress and expand. An effort must be made to increase the amount of food so that there is enough to feed the people of the capital. Agricultural and forestry products must be produced for domestic consumption and export.

2. Production must be organized, improved, and expanded in a planned and efficient manner. We must cooperate with other countries in building industry and handicrafts and enhancing the value of goods in order to meet domestic needs and export requirements.

3. Attention must be given to expanding tourism and improving restaurant, hotel, and other services. [passage omitted]

5. Besides giving attention to raising cultural standards, we must also give attention to learning foreign languages in order to facilitate the tourism and obtain new scientific and technical information. People can attend classes organized by the state or by private individuals or study on their own.

6. We must always be aware that there are people who want to stir up trouble, destroy our culture, society, and religion, and disrupt our economy. Thus, we must unite in an effort to build and defend our country in all respects.

7. As for foreign affairs, Vientiane is the center of the country. It is the capital of the country. Foreign embassies and other foreign organizations are located here. Thus, we must carry out these tasks well based on the lines and policies of the party and state. We must give attention to improving friendly relations with the fraternal countries, the capitals of the socialist countries, and other friends throughout the world. At the same time, we must act in accord with the Joint Lao-Thai Communiqué.

Military Wants To Purchase U.S. Hawkeye Aircraft

42000092a Jakarta ANTARA NEWS BULLETIN in English 25 Jan 89 p B-7

[Text] Kuala Lumpur, Jan 24 (ANTARA-Reuter)—Malaysia wants to buy U.S.-made Hawkeye aircraft to boost early warning defences before concluding a 1.8 billion dollar arms deal with Britain, Air Force Chief Lieutenant-General Mohamed Nгах said on Tuesday.

If the deal is approved, Malaysia would be the second Southeast Asian country, after Singapore, to have E-2C Hawkeyes, whose powerful radar warns of approaching aircraft.

Agreement With China on Joint Venture for Making Steel Wire

42130056b Kuala Lumpur BERITA HARIAN in Malay 2 Jan 89 p 7

[Text] Beijing—Malaysia and China yesterday signed here an agreement for setting up a plant in Malaysia for the manufacture of stainless steel wire under a joint venture worth \$12 million (about 31.2 million ringgits).

The plant will be the first of its kind in Southeast Asia and will be established with a paid-up capital of \$10 million (about 27 million ringgits). This joint venture involves possession of a 30 percent equity by the China Metallurgical Construction Corporation (MCC) and a 70 percent equity by the Malaysian Perdana Corporation (Perdama).

The agreement was signed with MCC, one of China's largest state-owned corporations, by Tan Sri Wee Boon Ping, chairman of Perdana and president of the Associated Chinese Chambers of Commerce and Industry of Malaysia (ACCCIM).

The proposal to form the joint venture, possibly to be located at Port Klang, was announced in Malaysia last November.

Construction of the mill, which will have an initial production capacity of 3,500 metric tons per year, will begin next year, and 95 percent of its production will be exported.

This morning, Huang Hua, former vice-chairman of the Permanent Committee of the Chinese People's National Congress, met with Tan Sri Wee, who is also chairman of the Board of Directors of the Malaysian International Trade Corporation.

Tan Sri Wee also talked with the MCC about a proposed equal-share joint venture for the manufacture in Malaysia of high-technology products like stainless steel.

This would be another MCC-Perdama joint venture. It would have a paid-up capital of \$10 million (about 27 million ringgits) and an initial annual production of 600,000 metric tons.

Tan Sri Wee arrived here on 25 December at the invitation of MCC. While here, he has met with the Chinese minister for foreign economic and trade relations, Zheng Tuobin, and the minister for metal research industries, Qi Yuanjing.—BERNAMA-XINHUA.

Gerakan Vice-President Urged To Stay on Job

42130056c Kuala Lumpur BERITA HARIAN in Malay 5 Jan 89 p 2

[Text] Kuala Lumpur, Wednesday [4 January]—Gerakan leaders are urging Datuk Paul Leong, who last night resigned his position as deputy president of the party, to stay on in the job, Gerakan Secretary-General Kerk Choo Ting said today.

He said Datuk Leong's leadership is still needed in the party and that it is hoped he will change his mind about resigning.

Datuk Leong, former minister of primary industries, resigned his Gerakan position, saying he could not effectively do his duty as deputy president because of being too busy with other work.

He submitted his letter of resignation to Gerakan President Datuk Dr Lim Keng Yaik through his former political secretary, Mr Tan Kah Ping.

Mr Kerk said he understood the reason for his resignation, because Datuk Leong has spent more than half a year in international meetings overseas and was not able to give much time to the party.

Datuk Leong is chairman of the Discussion Committee on Tropical Products of the General Agreement on Tariffs and Trade (GATT) and heads the ASEAN Group of 14, a group of experts seeking ways to strengthen economic cooperation and relations among ASEAN member nations.

Mr Kerk said that Datuk Leong had given a valid reason for his resignation, but "we feel he will remain as deputy president of the party."

Datuk Leong has been a member of Parliament from Taiping since 1974. He left his cabinet position in 1986, and his place was taken by Datuk Dr Lim.

Speculation on the revamping of Gerakan leadership has arisen following Vice-President Datuk Michael Chen's departure to rejoin the MCA [Malayan Chinese Association].

Datuk Leong's resignation as "second man" is the newest problem to befall Gerakan, which was formed following the incident of 13 May 1969.—BERNAMA

Joint Military Exercises With Singapore Announced

42000092b Jakarta ANTARA NEWS BULLETIN in English 28 Jan 89 p B-5

[Text] Kuala Lumpur, Jan 27 (ANTARA/AFP)—Malaysia and Singapore have agreed for the first time to carry out bilateral military exercises beginning this year, Defense Minister Tengku Ahmad Rithauddeen said Friday.

He said that a naval exercise called Malapura would be held by the navies of both countries in the South China Sea off East Malaysia's Sabah and Sarawak State later this year.

Rithauddeen said that Malaysia and Singapore would send a battalion each for an army exercise off Kota Belud, a town in East Malaysia's Sabah State sometime this year.

Officials said exercises between both countries were previously done jointly with Australia, New Zealand and Britain, which are fellow-members of the five power defence arrangement.

"The defence of Malaysia and Singapore is indivisible and we cannot afford to be at loggerheads in terms of defence", Rithauddeen told a joint press conference with visiting Singapore's First Deputy Prime Minister Goh Chok Tong.

Goh, who is on his first visit to Malaysia since last September's elections in Singapore, said that both countries enjoy good bilateral relationships.

He said Singapore did not see any major contentious issues between the two countries, adding that both countries shared the same strategic points in defence.

Natural Gas Expected To Become Major Revenue Source

42130056a Kuala Lumpur BERITA HARIAN in Malay 2 Jan 89 p 7

[Text] The year 1989 will mark the entry of Malaysia into the gas era through the implementation of Peninsular Gas Utilization Project Stage II (PGU II). Gas may become our main source of income, surpassing crude oil as the major source of national revenue.

Therefore, the main focus this year [1988] was on who would get engineering, purchasing, and construction contracts worth 379 million ringgits. Petronas [National Petroleum Company] ultimately gave the contracts to MMC Gas SDN BHD [Limited Company], a member of the Malaysia Mining Corporation Group (MMC).

When PGU II is completed, there will be a 730-kilometer pipeline from Telok Kalong in Terengganu to Segamat, Johor, which will meet 27 percent of domestic energy requirements and 40 percent of demand by the end of this decade.

Besides the industry itself, the project is expected to offer other benefits, such as conservation of foreign exchange, creation of jobs, provision of construction work, and opening of the interior.

For the oil sector, however, anxiety existed for the entire year because OPEC increased production beyond the ceiling of 15.06 million barrels per day.

OPEC President Rilwanu Lukman said the excessive production revolved between 19 and 19.5 million barrels per day, while some oil producers said they exceeded 22 million barrels per day. This caused the price to fall to the low level of \$13.75 at the middle of the year, in contrast to the official OPEC price of \$18.00 per barrel.

The truce between warring OPEC members Iran and Iraq then took place. That was followed by the 84th minister-level meeting in Vienna, which reached an agreement to limit production to 18.5 million barrels per day in order to restore the price to the official level of \$18.00 per barrel.

Malaysia followed the discussion carefully, for oil is the country's major product, and any uncertain price situation will hurt our economy.

Exports of this commodity in 1987 provided national revenues of 6.29 billion ringgits, or 11 percent of the gross national product (GNP), and 6.33 billion ringgits, or 10 percent of the GNP, in 1988.

Industry sources say that for the sake of market stability steps must be taken to initiate closer relations between members of OPEC and other exporters and importers like Malaysia.

This is important, because Malaysia does not want to keep large crude oil stocks in view of the fact that the Seligi oil field, the country's largest, begins production at the end of the year with a projected output of 20,000 barrels per day.

The Seligi field is located 275 kilometers from the coast of Terengganu, where 177 oil wells and 20 gas wells will be drilled from seven platforms at a total investment of 2 billion ringgits.

All of this, in addition to rising demand, will increase production in the coming year by 4.2 percent, i.e., from 540,000 barrels per day to 662,000 barrels per day.

In the exploration sector, Petronas intends to offer better incentives for deep water joint production contracts (PSC's) in spite of uncertain prices.

Petronas has identified an offshore area of 98,000 square kilometers with potential for hydrocarbon finds. This is an important step, because Malaysia's oil reserves are limited, and, unless new reserves are found, we will have to become an oil importer within the next 15 or 20 years.

Exploration efforts in deep water is a new field for Petronas. The national oil company has signed 25 PSC's since it was established in 1974.

In the downstream sector, 147,000 barrels of crude petroleum were projected for processing at domestic plants this year, up from the previous figure of 146,000 barrels per day, because of increased domestic demand.

National refining capabilities will also be increased when the new refinery at Tangga Batu, Malacca, with a capacity of 100,000 barrels per day, is completed. The project is expected to begin at the end of the year.

Last October, the government also decided that all downstream operations would be open to the private sector, whether domestic or foreign, and that Petronas would give attention only to the upstream sector.

The focusing of attention by Petronas and private interests on different sectors is expected to make positive contribution to the development of petrochemical industries in this country.

This year's oil industry reports will give principal attention to the following: OPEC, PGU II, the Seligi oil field, increased production, deep water exploration, PSC's, and the interest of foreign firms in investments in the petrochemical sector.—BERNAMA

Military Reports NPA Policy Making Level Not Penetrated

HK1202085289 Manila *PHILIPPINE DAILY GLOBE*
in English 11 Feb 89 p 7

[Text] Ozamis City—The New People's Army (NPA) Front Monterosa in Misamis Occidental is purging its ranks after unmasking military deep penetration agents (DPAs) in the unit militias and barangay revolutionary committees.

A military report declassified last week said last month the NPA leaders in the province liquidated (summarily executed) five comrades suspected to be DPAs.

Lt. Col. Rodolfo Abao, 55th Infantry Battalion commanding officer identified the five as unit militia members Sergio Jalalon, Cangon Jalalon, Pablo Del Pilar, all of Tudela town, Nena Gomez of Jimenez town; and Leonardo Sumiguid, a village revolutionary committee member of Den Mariano town.

The report said the purge was triggered by two incidents wherein two military agents, unable to withstand the pressure of living among the insurgents, killed two militias and carted away several guns.

Abao said the entry of their agents to unit militias and village revolutionary committees indicates that tactical and strategic policy-making among insurgents remains uninfilitrated.

Thai Military Bank To Boost Indochina Operations

42070052d Bangkok SIAM RAT in Thai 21 Dec 88 p 6

[Text] Mr Suphachai Phanitchaphak, an advisor to the executive committee of the Thai Military Bank Ltd, said that the bank plans to expand international operations through the TMB Finance Company in Hong Kong. This company, which is a subsidiary of the bank, will be used as a link in order to expand operations in Indochina, China, ASEAN, and the Middle East.

Mr Suphachai said that besides this, the bank has asked Hong Kong to change the status of the TMB Finance Company from that of a receiving company to that of a bank branch—except for engaging in daily deposit account activities—in order to help expand trade between Thailand and other countries. In particular, this will include participating in joint investment ventures and making syndicated loans to other financial institutions in Hong Kong. In the past, loans have had to be made in the form of letters of credit, and it has been necessary to ask permission from the central bank of Hong Kong each time, which has slowed things down. However, in the past period, several loans have been made.

Mr Suphachai said that in expanding operations abroad, the bank will attach importance to the Indochina countries and socialist countries, which is in accord with the government's policy. These markets have been closed for a long time. These are very interesting markets with respect to new goods.

However, the Indochina and socialist markets will be very risky. The banks contacted in those countries are all state banks. Thus, businessmen have to have a Thai commercial bank to serve as their representative, particularly in opening letters of credit, which are uncertain. In order to reassure businessmen, the bank will help customers by sending promissory notes to commercial banks in European countries such as England and France, which have expertise in trading with Indochina and the socialist countries. This will help reduce the risk for businessmen.

Mr Suphachai also said that recently, the Thai Military Bank has helped customers engage in counter trade with the Indochina countries, particularly Laos and Vietnam. Thailand has sent fertilizer in return for scrap iron. But the value of this trade is still small. However, people are constantly contacting Thailand about engaging in trade. The important point is the upper northeast, which can do business with both Laos and Vietnam.

Foreign Ministry Information Chief on Policy
42070053 Bangkok SIAM RAT SAPDA WICHAN
in Thai 25-31 Dec 88 pp 9, 10

[Interview with Chet Sucharitkun, the director-general of the Information Department; date and place not specified]

[Excerpts] [Question] Today, it seems that the Ministry of Foreign Affairs is confronted by a host of problems.

[Answer] I think that that is fine. That is the way it should be. First, the Ministry of Foreign Affairs is doing things within the framework of the foreign policy that was announced. In my view, the most important thing is to implement foreign policy in a way that will benefit us on the political and national security fronts and help us implement our international economic policies, such as our foreign economic or trade policies. This is not the direct responsibility of the Ministry of Foreign Affairs. The ministry is, however, taking action in coordination with other government units such as the Ministry of Commerce, the Tourism Authority of Thailand, the Board of Investment, and the Development Council. In short, on the economic front, the Ministry of Foreign Affairs is implementing policies in support of the government's international economic policies. Thus, whenever something important happens... For example, if a political problem arises such as the Cambodia problem or if something happens along one of our borders, the Ministry of Foreign Affairs must play a role in protecting the country's national security interests. [passage omitted]

[Question] Such as the prime minister's policy of transforming the battlefield into a trade field?

[Answer] That's right. That is something that the Ministry of Foreign Affairs has been thinking about for a long time. That isn't something new. But we have been unable to do certain things because of the Cambodia problem. It can be seen that the country that has played a major role in this matter has never showed a willingness or desire to solve this problem peacefully using political means. Now, 10 years later, the economic situation in their country and the political situation that has arisen in the country that supports them has forced them to try and solve the Cambodia problem. Once the Cambodia problem has been solved, once they have agreed to solve the problem, the government is ready to increase trade contacts besides the informal trade that exists today. There has always been trade. There has been much trade. But it has been informal trade. What we are talking about is formal trade. Once the problems have been settled, we will have such trade.

As for why we do not support state-to-state trade, we have told the international community that the country that invaded Cambodia did that intentionally. It wanted to swallow Cambodia with the help of another superpower. Thus, various countries needed to implement an economic policy that would put pressure on Vietnam to accept a political solution to this problem. And they did that. The European countries, Japan, Australia, and other countries stopped trading with or stopped providing aid to Vietnam. That wasn't because we had enough influence to put pressure on them. It was because they felt that using economic measures to apply pressure would be effective. It's like a snake swallowing an animal. It must release the animal. I am not saying that the Ministry of Foreign Affairs is right or wrong. But various countries have agreed with this approach. This

shows that implementing economic measures to put pressure on Vietnam is the right approach. This has achieved results. Everyone realizes this. Previously, people said that the situation in Cambodia was irreversible. But today, no one is saying that. They have been forced to accept a political solution. That is, they have been compelled to allow the Cambodian people to solve their internal problems themselves.

Because we asked other countries to apply economic pressure, if we now start trading with Vietnam, what will those countries think? What will the European countries, Japan, the United States, Australia, and New Zealand think of us? They will view us as a clown if Thailand, whose security interests are at stake, suddenly starts acting like that. Today, the situation has improved greatly. The superpowers, particularly the Soviet Union and China, are beginning to cooperate. They all agree that the Cambodia problem must be solved using political means. Vietnam knows and can see what its future is. Its economy is in shambles. Now that the superpower that provides financial and material aid to Vietnam has changed its position, Vietnam can't remain obstinate. The situation has changed. Thailand hasn't changed. Our foreign policy and methods haven't changed. But we have always said that when the situation changes and the problems have been solved, we will trade with these countries. We have many documents on this. But we can't say anything. If we say anything about these foreign affairs matters, they will know everything. Others will know what our stratagems and means are. We can't reveal these things.

People in general may feel that the Ministry of Foreign Affairs is being stubborn or that it does not know where our interest lie. I would like people to know that we work with the facts every day. The Ministry of Foreign Affairs has been playing a role in economic matters for a long time. It didn't start playing a role in this just recently. We have studied everything. The question is how to carry on trade. We are ready. We are now prepared. Minister Sitthi Sawetsila will visit Vietnam, which shows that we can now see some light. The negotiations will take time. People must understand that the negotiations will take time. Look at how many years the Paris peace talks took. That took 5 years. People should not expect quick results in the negotiations to find peace or solve the problems. But it's true that once they have accepted the need to solve the problems peacefully using political means, trade contacts can be established.

Another important problem that must be given attention is the form of this trade. This is a very complex problem. It must be understood that they have a huge debt. They have to repay their debts to those countries that have supported them. They probably won't have much money to trade with us. Perhaps we can engage in bartering. We have looked at these things. [passage omitted]

[Question] What about the matter of the United States cutting Thailand's GSP benefits?

[Answer] If the United States cuts our GSP benefits, regardless of how deep the cuts, I think that this is a matter of trade. Actually, it depends on how people view this. Thai in general wonder why the United States doesn't show some sympathy for Thailand. They wonder why the United States is pressuring Thailand. That is how the people feel. As for the government, I think that that is perhaps correct. We may feel that way. But I don't think that that will affect our relations on other fronts. We still have strong relations.

[Question] The Ministry of Foreign Relations is trying to maintain good relations between Thailand and the United States, but the government is taking a rather tough attitude toward this problem.

[Answer] It is not the duty of the Ministry of Foreign Affairs to declare war on anyone. Our main duty is to maintain or build relations with other countries. Whenever a problem that could affect us arises, we have to try and solve it. We have to try and maintain relations. If the Ministry of Foreign Affairs ignores such things, we will be criticized. Thus, if anyone finds himself in the position of the Ministry of Foreign Affairs, he will feel discouraged. Because regardless of what we do, we will be criticized and called an underling. People have said that we are following their butt. But if we don't take action, people will say that the Ministry of Foreign Affairs is ignoring matters. In short, the Ministry of Foreign Affairs is in a no-win situation. I hope that people will show some understanding. That is, we have to do this.

As I said, Thai-U.S. relations are very broad. The United States has been a good friend and ally of ours for a long time. But these trade problems will definitely have an effect. As far as trade and exports are concerned, we must make adjustments and improve quality. We must produce good-quality goods that are priced competitively. If our GSP benefits are cut, what we must do immediately is improve the quality of our goods and reduce our profit margin so that we can sell our goods on American markets and maintain our share of the market. If we can't do these things, what will happen is that exports of the goods affected by the cut in GSP benefits will decline.

The goods that receive GSP benefits are mostly handicrafts. The reason for giving GSP benefits is to help those countries that do not have a developed industry. The purpose is to help the underdeveloped countries that are labor intensive and that lack machinery. Examples are handcrafted flowers and jewelry, of which we export large quantities. We employ many people in these industries. Thus, the goods that receive GSP benefits are labor-intensive goods. If there is a sharp cut in our GSP benefits, these industries will definitely be affected. I am not making any threats. I don't have to. I just want people to see that if exports of these goods decline, employment in these sectors will decline. I want everyone to be aware of this. I don't want to say anything.

because if I do, people will accuse me of following the butt of the United States. But people should think about this. The Ministry of Foreign Affairs has been trying to determine how many laborers are employed in these industries.

[Question] Will this problem become so serious that the United States will implement Article 301 of the Trade Law in order to retaliate against competitors?

[Answer] I think that it is too soon to talk about the United States implementing some article to retaliate against Thailand. Another point is that the patent and computer software issues concern various government units. They concern the interests of businessmen and other people. I think that it is time for all sectors to get together and discuss what effects this could have. This matter does not concern the Ministry of Foreign Affairs directly. But it is a government-level matter. I am sure that the prime minister is very concerned about this. He has probably had various government units consider what the effects will be if the United States implements various measures. I am sure that the government has thought about this. But I don't want to comment on this.

[Question] Even though the Ministry of Foreign Affairs is not directly responsible, if problems arise, people will look to the Ministry of Foreign Affairs.

[Answer] First of all, it must be understood that this is a very broad matter. The Ministry of Foreign Affairs is not directly responsible. I would like to be very clear about this. This is a government-level matter. The government, that is, various government units, must work together and determine what the effects will be. People should not make criticisms.

I don't think that there will be a basis. I think that there will be differences or conflicts of opinion on the fundamental problems. But they will probably discuss the details. If there is a problem, they will discuss it. During cabinet meetings, they sit next to each other. After cabinet meetings, they eat with each other. I don't think that there will be a problem.

[Question] Some people wonder who the foreign affairs minister really is these days.

[Answer] Who has said that? I haven't heard that. I haven't heard that and so I don't want to comment. You have to understand that the implementation of policy is a joint responsibility. We are implementing the government's policy. Put simply, it's not the policy of Air Chief Marshal Sitthi Sawetsila. Take the issue of trading with Indochina, for example. The Ministry of Foreign Affairs has not implemented policy all by itself. We have studied trade matters together over a number of years. But we have not taken action, the government has not taken action because that would conflict with what others are doing. We would become a clown. Even though the sun is now beginning to rise, it will still take a long time.

Those who think that the Cambodia problem can be solved quickly are mistaken. It will still take several years to solve this problem. Look at the peace talks in Paris. As for those who are demanding that things be speeded up, I don't think that things will turn out as they want. We may be able to accomplish some things, but other issues will take time. [passage omitted]

Officials Held Hostage in Karen Arms Trafficking
42070052a Bangkok KHAO PHISSET in Thai
7-13 Dec 88 p 11

[Excerpt] [Passage omitted] Mrs Bun-ua Phuttharak, the wife of Mr Phakdi Phuttharak, a member of the Phitsanulok provincial council, told members of the provincial council that her husband disappeared on 13 October 1988. She submitted an appeal to senior political officials at the Government House, but so far nothing has been done.

A person close to Mr Phakdi Phuttharak said that Mr Phakdi was taken hostage by Free Karen soldiers. They also seized a BPP [Border Patrol Police] master sergeant named "Khaek," who was stationed at BPP Headquarters 34, Taek Province.

The two men had crossed the border from Mae Ramat District in order to sell weapons to the Karen soldiers. They had been accompanied by a Thai colonel. The colonel returned to Thailand after being paid 450,000 baht by the Karen soldiers, saying that he would buy weapons for them. But the Karen have not received the weapons. It is thought that Mr Phakdi and the BPP master sergeant are being held hostage.

The latest report stated that Police Maj Gen Kowit Wattana, the commander of the Region 3 Border Patrol Police, has not received any report on this.

Opposition Leaders Comment on Party Unification

42070052e Bangkok MATICHON SUT SAPDA in Thai
1 Jan 89 pp 4, 5

[Text] Even though the leaders of four opposition parties have stated that their parties will unite to form a single party named the National Party, many politicians in the Ruam Thai Party, which is the main party, are opposed to this idea. They feel that uniting with these other parties will ruin their party's chance of joining the government if there is a cabinet reshuffle.

The Ruam Thai Party held a special monthly meeting at the Chiang Mai Plaza Hotel on 24 December, 1 day before the birthday of Mr Narong Wongwan, the party leader. At this meeting, some of the 19 members who had split away from the Democrat Party, including Mr Phinit Chantharasurin, an MP from Lampang, who has asked to join the team of Mr Buntheng Thongsawat, the head of the party advisory team, Mr Chewong Wongyai, an MP from Phayao, Mr Saman Chomphuthep, an MP

from Lamphun, and Mr Sayom Rammasut, an MP from Chiang Mai, voiced their concerns about this to the leader and secretary general of the party.

Those who oppose this asked whether forming a united party will make it impossible for the Ruam Thai Party to join the government. Because today, it is very likely that the cabinet will be reshuffled in view of the conflicts with the advisory team over foreign policy. On foreign policy, the advisory team represents the views held by the prime minister. Besides this, there are still doubts about whether the talks to unite these parties have proceeded in accord with the resolution passed by the Ruam Thai Party. One of the issues is the name of the new party. At a previous meeting, one of the conditions set was that the Ruam Thai Party would keep its name. But members wonder whether the party has been placed at a disadvantage during the negotiations.

Mr Phinit criticized the draft agreement, saying that because of the number of positions stipulated during the negotiations, the party has been placed at a disadvantage. The number of positions allotted to each party should be in proportion to the number of MPs, that is, 6-4-4-1.

The questions posed by those who oppose this induced a senior MP from Nakhon Sawan, that is, Mr Sawat Khamprakop, to analyze the political situation. At the meeting, he said that uniting these parties is being done in the hope of achieving long-term rather than immediate results, that is, joining the government in the near future. Even if the cabinet is reshuffled because the Social Action Party splits away or because of some other reason, there is no guarantee that the Ruam Thai Party will be able to join the government.

Mr Sawat also said that it is essential that the Ruam Thai Party take this opportunity to grow so that it is equal to the Thai Nation and Social Action parties, both of which are making a great effort to expand. The growth of the Thai Nation Party depends on various "factors." Parties that want to grow must rely on these factors, too. If the party is to grow, it must be willing to unite with other parties. But financial matters and policy matters must be discussed and clarified.

"If we don't expand the party now, we will lose the chance. If we unite, I think that we will win at least 70 seats in the next election. We will be a large party. If we can unite, we will definitely be in the government," said Mr Sawat.

In discussing the political situation, Mr Narong said about the same thing. He said that a cabinet reshuffle is a possibility. Even though the court is about to rule on whether to disband three opposition parties, the Ruam

Thai Party does not want to play politics in order to join the government at the present time. It is hoping for long-term results. The leaders of the other three parties share this view.

"Mr Samak Sunthorawet, the leader of the Prachakon Thai Party, wants to join, too. But that is an old party, and its supporters want it to keep its name. Col Narong Kittikhachon, the leader of the Liberal Party, wants to join. But some newspapers have criticized him, saying that he wants to play politics in order to get his property back. That angered him and so he decided not to join," said Mr Narong. He also talked about the formation of the government, saying that after Gen Chatchai became prime minister, he stalled for time in an effort to get the Ruam Thai Party to join the government. He said that Gen Chatchai asked to meet with him. At a party meeting held at his home on Lu Cha Lane, it was decided that he should meet with Gen Chatchai.

"The prime minister tried to meet with me secretly. He tried to avoid reporters by riding a motorcycle and leaving from the rear of his house. He then got in a car on the main road, where traffic was very heavy. That was a very difficult trip. At the meeting, I said that if three-four parties had already joined the government, I would withdraw completely. He asked me what I planned to do. I said that I would join the opposition.

"I refused to join, because I wanted us to join with honor. If we had joined, we might have been allotted one position as deputy prime minister and one ministerial portfolio. I know that party members and supporters want us to be in the government. But they must realize that we must join with honor. We must be allotted positions that will enable us to help the people," said Mr Narong.

The majority of those at the meeting that day favored forming a united party and supported having the party leader take steps to implement this. But some of those who support forming a united party observed that the legal steps involved will take a long time. And if a united party is formed, other problems will arise. If this is done, people who have served as MPs for several terms will be adversely affected, because opportunities will have to be given to the senior MPs in all the parties. Many of the MPs in the People's, Progressive, and Community Action parties are in that position.

Most of the MPs in the Ruam Thai Party have political seniority, but they have little chance of being appointed minister. If a united party actually is formed, their chances will fade. What will happen is that people who have been MPs for several terms will split away and join some other party in order to have a chance of becoming minister.

POLITICAL

NHAN DAN Hails Nguyen Van Linh's Visit to India

BK2201084589 Hanoi Domestic Service in Vietnamese
2300 GMT 21 Jan 89

[Text] On this event [Nguyen Van Linh's visit to India], today NHAN DAN runs an editorial entitled: "New Manifestation of the Relations of Solidarity, Cooperation, and Trust Between Vietnam and India." The editorial says in part as follows:

Amid the days the country is welcoming a new spring, a great piece of happy news has come to our people: At the invitation of Prime Minister Rajiv Gandhi, today Comrade Nguyen Van Linh, general secretary of our party Central Committee, begins his official visit to the Republic of India. In keeping with Indian customs, he is the chief guest to the celebration of India's 39th National Day. This is the first time India accords our top national leader the honor of being the chief guest in the Republic Day of India and the 2nd time in 5 years the comrade general secretary of our party pays an official friendship to India, following the visit by Comrade Le Duan in 1984.

Our people warmly welcome this momentous political event, a new manifestation of the relations of solidarity, cooperation, and trust between Vietnam and India, and a new important contribution to peace, stability, and cooperation in Southeast Asia, Asia and the Pacific.

Comrade Nguyen Van Linh is visiting the homeland of a thousands-year-old civilization of the Great Mahatma Gandhi, Jawaharlal Nerhu, and Indira Gandhi at a time when the Indian people, their hearts filled with pride and confidence, are celebrating the 39th years in existence of the republic. Outstandingly continuing the policy of national unity of his predecessors, Prime Minister Rajiv Gandhi has led the Indian people in overcoming all trials and pitfalls concocted by some hostile groups, consolidating unity, maintaining stability, and continuing to take the country forward. We highly appreciate the achievements recorded in national construction and defense by a nation full of the spirit of self-reliance. We welcome the untiring efforts of the Indian Government and people in developing cordial relations with neighboring countries, promoting cooperation in the SAARC [South Asian Association for Regional Cooperation], and seeking a peaceful solution to the Southwest Asia issues, as well as India's prominent role in consolidating the Nonaligned Movement and developing the friendship and cooperation among nations in Asia, the Pacific, and the rest of the world.

Taking place in the wake of the visits to that country by Comrades Le Duan, Truong Chinh, and Pham Van Dong, and the visits to Vietnam by Prime Minister Rajiv Gandhi, Comrade Nguyen Van Linh's official friendship visit to India constitutes a new important milestone in

the relations between the two countries and peoples. Coming at a time when the world and regional situations are developing in favor of detente and peaceful dialogue, the comrade general secretary's visit and the new agreements between Vietnam and India will certainly further enhance the status of Indo-Vietnamese relations and have a positive impact on the process of solving global problems as well as the issues of the Southwest Asian, Southeast Asian, and Asian-Pacific regions and the world.

We are convinced that the comrade general secretary's visit to the great country of India will be crowned with fine success, further enhancing the Indo-Vietnamese friendship, and turning this relationship into a model of South-South cooperation between nonaligned countries. We wish the fraternal Indian people under the leadership of esteemed Prime Minister Rajiv Gandhi many new achievements in building a prosperous and happy country.

Ha Nam Ninh Completes Round of District Party Congresses

42090116 Hanoi NHAN DAN in Vietnamese
25 Dec 88 p 1

[Article: "Ha Nam Ninh Basically Completes District-Level Party Organization Congresses—33-38 Percent of New Party Committee Members Are Less Than 40"]

[Text] By the end of December the party organizations of the districts, cities, and localities of the same level in Ha Nam Ninh Province will have basically completed their congresses, in compliance with Directive 37 of the CPV Central Committee Secretariat.

The Standing Committee of the Provincial CPV Committee specifically directed Hai Hau District to hold its congress ahead of time so as to gain some experience. The district, city, and municipal CPV committees in the province later sent their cadres to the basic party organizations to assist them in running the congresses in the spirit of renovating both their substance and form, and at the same time to carefully listen to the opinions about district-level congresses of the party bases, mass organizations, veteran cadres of the revolution, and retired party members in these localities. The congresses looked straight into the truth and correctly evaluated the state of the mass movement for revolutionary action and the quality of cadres and party members in the last term. The party organizations and CPV committees of districts, cities, and localities of the same level proposed bold and realistic plans for the selection of new committee members in order to perfect and raise the capabilities of party committee echelons to respond to the political task in the new period.

With the spirit of criticism and self-criticism being observed seriously, the congresses of delegates of Hai Hau, Nghia Hung, Hoang Long, Vu Ban, Duy Tien, and Hoa Lu districts and of Nam Dinh Municipal CPV

Committee affirmed the progress that had been made in organizing the masses for carrying out socioeconomic programs and party building, and for consolidating the administration and raising its effectiveness. The Nam Dinh Silk Textile Mill was an outstanding example of the renovating trend in production and business. The Ha Nam City CPV Committee was preparing a report on the guidelines and tasks of the city's party organization in order to let the party bases discuss how to concentrate efforts on stepping up production and business and on further developing small industry, handicrafts, and commercial services. The committee was paying attention to the new factors, particularly the Ha Nam Commercial Corporation and the Food and Beverage Store No 1, which were dynamic and creative business and service units. The party organizations are now affirming and learning from the experiences of these typical units. At the same time, the district and city congresses also mentioned in a frank manner the shortcomings and failures of the party committee echelons in many localities in connection with leading their units toward untangling the difficulties they had encountered as they devised and carried out the new mechanism, and as they implemented service and production contracts in agriculture, distribution, and circulation.

About the organization of cadres and achievement of social justice, some villages and districts still allowed their key cadres to be involved in the cases which either had been left unresolved for so long or were being resolved too slowly or dealt with inappropriately, a fact that destroyed solidarity and unanimity in their ranks, made the masses feel unenthusiastic, and restricted the movement of democracy and openness from the party ranks to the masses. Since many cases of injustice committed against the people were not resolved in time, the number of petitions being directly submitted to the higher echelons did not go down at all.

In spite of shortcomings and restrictions, the plans adopted by the congresses reflected a spirit of openness and a concentration of the brains of the party organization and proposed practical activities aimed at fully using the working power of agricultural cooperatives and applying it to exploiting the existing potential, establishing additional production teams and cooperatives, and encouraging individuals to make various lines of goods in order to contribute to developing the commodity economy as a means to provide jobs to the working people in the cities and municipality. On the basis of these needs, the party organization congresses set the standards for party committee echelons in the new period. The results of district and city elections reached a high quality. The new party committee members 40 years old or younger accounted for 30-38 percent; as party members of good quality and capabilities, they represented the fighting power of the party organizations.

The Standing Committee of the Provincial CPV Committee had a profound knowledge of events and development in the party organizations. In a few districts,

those key cadres who did not represent the renovating trend have been replaced. The Provincial CPV Committee is now concentrating on carrying out its leadership task in order to allow the party organizations of a number of districts, including Thanh Liem and Tam Diep, to hold and conclude their congresses in this month of December.

MILITARY

Cao Bang Province Trains Paramilitary Forces
42090124a Hanoi QUAN DOI NHAN DAN
in Vietnamese 5 Dec 88 p 2

[Interview with Vu Ngoc Bo, Chairman of the Cao Bang Province People's Committee, by QUAN DOI NHAN DAN correspondent Pham Minh Chau: "Government Organizes Handling of Local Military Work—Emphasizes Construction of Militia and Self-Defense Forces;" date, place, and occasion not given]

[Text] [Question] Mr. Chairman, what are the responsibilities of the local government, economic sectors and mass organizations regarding the mission of building people's national defense in our province?

[Answer] It may be said that during previous years, the mission of building the national defense potential of our local area was not emphasized, still relying upon the central government and the ministry's main forces. At the present time, with the resolution on national defense work in the new situation, and the theme of the resolution initiated over the area of Cao Bang Province, new changes have occurred in the perception of cadres and people in our province on the mission of building national defense. All missions, such as recruiting and building the local armed forces, including the standing forces, reserves, militia and self-defense forces, are all missions of the entire party and people. There is no longer a situation as before in which sectors, local areas and mass organizations only participated in encouragement and motivation with responsibility for all specific tasks assigned to the military agency. We have now begun to implement the mechanism of the party leading, the government organizing handling and the military agency at all echelons acting as the staff and direct command agency in training and combat. Last year, we held a province-wide combat exercise with the participation of all forces. The content of the exercise was supervised by the military region. The provincial party committee secretary, provincial chairman, service and enterprise directors, and individuals in charge of mass organizations all had to handle the combat situation in accordance with their own responsibility. The exercise caused provincial, sector and local leaders to begin to understand their specific tasks when war breaks out, and from that to formulate preparatory plans during peacetime concerning the material and technical base, manpower and all essential military knowledge. The exercise also awakened the revolutionary spirit of the masses, causing the people to truly believe in the strength of

people's war, and in their ability to maintain political security in their local area and to join with the entire nation in firmly protecting the fatherland's frontier region.

However, the province's exercise and a number of other exercises in districts and villages revealed many problems requiring continued study and solution, including the problem of the specific responsibility of social and economic sectors and mass organizations in combat and combat support, and what preparations must be accomplished during peacetime to fulfill those responsibilities. In substance, this is a problem of coordinating the economy with national defense in each sector and location throughout the province, aimed at creating a national defense potential for the local area. Generally speaking, we are a frontline province with more than 300 kilometers of border so when war breaks out, we will be the first combatants. Therefore, prior preparations for war must be made and only by doing so will we have sufficient strength to halt the enemy's initial advance, and create a disposition of people's war to join the main force troops in defeating the enemy's war of aggression. At the present time, we join the military agencies of the military region and province in supervising and assisting economic sectors, including enterprises of the central government located within the province, and in clearly defining the theme of each sector's economic coordination with national defense. Each sector, agency, enterprise, school, hospital and mass organization must be made to understand what must be done during peacetime to assist in creating the national defense potential of the local area, and what must be done during wartime to create the consolidated strength of people's war. It is especially necessary for each basic unit to regularly train in order to quickly shift all of its activities from peacetime to wartime.

Regarding methods of achievement, we recognize the need for firm coordination between teaching a concept and sense of responsibility to cadres, party members and every level of the people in the province, and simultaneously formulating rational policies and systems so the national defense mission does not adversely affect the economy and vice versa. Nevertheless, the mobilization requirements of national defense during both peacetime and wartime require regulations of a legal nature, for only in this manner can urgency in combat be ensured.

[Question] What are the methods used by the provincial party committee and people's committee in consolidating and upholding the combat strength of the local armed forces, especially the militia and self-defense forces?

[Answer] In speaking of building national defense potential, building and upholding the combat strength of the local armed forces is most important. Previously, the militia and self-defense forces of our province were fairly large but their quality did not meet the present requirements of security protection and combat readiness. We recognize that to raise the quality of the militia and

self-defense forces, we must first of all concentrate on the problems of political education and strengthening the organizational aspect. Although the people of Cao Bang are endowed with revolutionary tradition, and the ability of the local armed forces was made clear during the border war of February 1979, failure under the present situation to continuously teach a concept of vigilance and clear differentiation between friendly relations between two peoples and the plots and stratagems of the enemy will lead to an indistinct situation and reduction in combat will. This is an extremely difficult and complex political and ideological war between us and the enemy. In conjunction with educating the masses, militia and self-defense forces, we must constantly perfect the organizational aspect, creating political purity in the militia and self-defense forces and especially among the commanders who must be the backbone of the local area and basic unit. We advocate development of the militia and self-defense forces with a suitable number and emphasis on quality. If the size of the militia and self-defense forces is about 8 to 10 percent of the population, we would have up to tens of thousands of soldiers. These troops, if well trained and knowledgeable in taking advantage of mountainous terrain, will create an extremely powerful force, preventing the enemy's large army from easily entering Cao Bang. Regarding the training aspect, we must maintain close contact with the terrain features of the local area for training to give the militia and self-defense forces suitable methods of attack and to create high combat effectiveness. During the past few years, our training of army troops and the militia and self-defense forces has been aimed only at coping with the present war actions of the enemy so that no matter how the enemy attacked us, we struck back in that manner; if the enemy fired into our territory, we fired back. Such training cannot answer the requirements of dealing with a large-scale war. Therefore, the impending training of the local armed forces must be renovated. A disposition of people's war must be created with simultaneous training of the forces in combat capability, actions in a previously prepared disposition, and forcing the enemy to fall into our disposition, with subsequent initiative on our part in striking the enemy. Therefore, the missions of building a disposition and training the militia and self-defense forces are extremely heavy, and for them to effectively concentrate on training, the problem of providing them with systems and policies is of decisive significance. At the present time, our province gives fair concern to the interests of the militia and self-defense forces. Specifically, when they concentrate for training, their subsistence is supplied through local expenditures. Moreover, all local areas have a system of priority for the militia in issuing field land, and of providing jobs for the self-defense forces. However, concern for the material interests of the militia, self-defense forces and mobilized reserves is not great and we are continuing study to acquire a suitable system and policy for the local paramilitary forces. Concerning the province's standing armed forces, we constantly ensure their systems and standards. However, because of the difficulties of our province, a situation exists in which

supplies for the troops are not delivered on schedule, and they must still subsist in a "hand-to-mouth" style. One important thing is that we regularly supervise the province's economic sectors in thoroughly understanding the spirit that the troops must be given more priority and if shortages exist, cadres and people in the rear must yield to the troops. It is for that very reason that within the province, we are constantly able to achieve the slogan of "the army and the people, one will."

On the occasion of the impending anniversary of the army on 22 December, allow me through QUAN DOI NHAN DAN on behalf of the cadres, soldiers and people of Cao Bang Province to send our wishes for solidarity and inevitable victory to all the cadres and soldiers of the entire army.

Le Duc Anh Attends Military Commission Meeting

BK1901160589 Hanoi QUAN DOI NHAN DAN
in Vietnamese 25 Dec 88 p 1

[Text] Following a meeting with officers who were recognized as exceptional professors of military science, the standing committee of the Military Commission of the CPV Central Committee held a cordial get-together with Army officers who were exceptionally recognized by the Council of Ministers as professors and associated professors of Marxist-Leninist science.

At the get-together, these professors, feeling elated by the honor bestowed on them and realizing their responsibility, expounded their viewpoints on new issues and new theoretical trends of social science, and raised issues to be resolved in studying and teaching social science in the Army.

Addressing the function, Senior General Le Duc Anh, on behalf of the standing committee of the Military Commission of the CPV Central Committee, congratulated these professors on receiving their honors. He raised a number of issues on the studying and teaching of theoretical social science that require special attention. He said: We should distinguish the differences between studying and teaching. In studying, we should welcome different viewpoints, arguments, and debates in order to reach a firm truth and achieve progress; in teaching, we must observe the principles of Marxism-Leninism. We must maintain consistency in building socialism and in defending our socialist fatherland. Political education and ideological leadership are of great significance, but the result obtained so far has been minimal. For this reason, we must study and improve forms and methods of carrying out these tasks and of improving the contents of the lesson to suite the psychology of the targeted groups. We must enhance the art of carrying out the ideological work. To satisfactorily carry out these tasks, we must maintain and develop the existing contingent of social science cadres and promptly train and foster new cadres, while enhancing their specialized skills in different subjects and strengthening their firm viewpoint and

stand. Comrade Le Duc Anh stressed: In the coming stage, the struggle for an ideological viewpoint will be more complicated. As a result, our reason must have a firm scientific base and concrete persuasive characteristics, enabling us to ensure victory for socialist thoughts.

Conference Examines Recruit Training Constraints

42090124b Hanoi QUAN DOI NHAN DAN
in Vietnamese 6 Dec 88 p 1

[Article by Le Manh Tuan: "Southern Units Discuss Methods of Overcoming Three Basic Reasons for Limited Results in Training New Soldiers"]

[Text] Recently, the Training Department (of the General Staff) held a conference to draw experience from 5 years (1984-1988) of training new soldiers in southern units.

After confirming the results achieved, the conference set aside a large part of the time to analyze and clarify the following three basic reasons limiting results in training new soldiers during past years:

- The management cadre ranks and training framework from the squad to the company level are still greatly limited in training and coaching new soldiers.
- Most of the unit training fields fail to meet specifications or technical standards and a shortage of training equipment exists.
- The training curriculum is lacking and after 3 months, a new soldier still has no firm grasp or profound understanding of the basic knowledge of a soldier on the battlefield, and is unable to avoid inexperience upon receiving a mission in a combat unit.

To promptly overcome these limitations, the conference set forth a number of immediate positive methods: to urgently streamline and emphasize basic and advanced training for the cadre and instructor ranks and the management framework before beginning the training period; and to concentrate the use of training expenditures, supplement the shortages in training and practice equipment, and emphasize exploitation of and increased time by soldiers in training with real equipment and material. Concerning the curriculum, based on terrain characteristics and operational objectives, units must positively screen out generalized sections in order to devote more training time to directly meeting the requirements of basic units.

One of the methods heatedly discussed by the conference was that of inspecting the various training processes. The requirement here is to eliminate arbitrary inspection methods without specific plans and to replace them with an attitude of careful emphasis on reality and substance.

ECONOMIC

Hong Kong Firm Invests in Hau Giang
42090103a Ho Chi Minh City SAIGON GIAI PHONG
in Vietnamese 29 Nov 88 p 1

[Article: "Vietsing Company in Hong Kong Invests in Building Joint Enterprises in Hau Giang To Produce Goods for Export"]

[Excerpt] According to the daily HAU GIANG, the Export Food Commodities Corporation of Hau Giang has negotiated with Vietsing Company (in Hong Kong) joint investment in a number of enterprises that would process goods for export. As a first step, the two sides agreed to pool their capital and to establish three enterprises to make ready-made clothes, to process foods, and to tan hides for exporting purposes.

According to their contract, the Vietsing side will provide 55 percent of the capital needed for construction, and Vietnam will provide the rest. Vietsing will name the directors of these enterprises, who will be responsible for technical matters and sales. The Vietnamese side will be responsible for organization and supervision of labor. [passage omitted]

Council of Ministers Decision Loosens Restrictions on State Commerce
42090119b Ho Chi Minh City SAIGON GIAI PHONG
in Vietnamese 29 Dec 88 pp 1, 3

[Article by L.T.T.: "As of 1 January 1989, State-operated Commerce Will Have Much Greater Authority To Expand Its Business; State-operated Commerce Will Have the Authority To Mobilize Capital, Do Business in the Export-Import Field, Enter into Joint Businesses With Foreign Countries and Arrange for Private Parties To Take Over Under Contract or Rent State-operated Stores That Are Not Producing Returns"]

[Text] (SGGP)—On 20 December 1988, following the decision on revamping wholesale business activities within state-operated commerce and the decision directing private business and service activities, the Council of Ministers promulgated Decision Number 193 on revamping the operations of state-operated commerce (effective 1 January 1989).

Under this decision, a division of responsibilities is established between the production sectors and the circulation sectors with regard to controlling the sources of goods. Home trade units have the authority to procure agricultural and food products for either domestic consumption or exportation at places where export organizations did not make an investment in these products.

Basic production units and individual producers have the authority to directly sell fresh products, vegetables and fruit on the wholesale and retail levels. Widespread use of procurement and sales agents (in both domestic and business and the export-import business) is permitted.

As regards industrial consumer goods, enterprises may sell all their goods to state-operated commerce or sell them through a wholesale or retail agent of state-operated commerce or cooperative commerce. Enterprises may also directly sell goods on the retail level but must comply with state regulations.

The Council of Ministers has assigned the Ministry of Home Trade and the provincial and municipal people's committees the responsibility for examining the feasibility of, regulating and permitting collectives and private parties to take over under contract or rent for business purposes state-operated stores and shops that are not producing returns.

In accounting, the basic units of state-operated commerce, public restaurants and service units will henceforth only be assigned one legally binding norm—the norm on payments to the state budget. The price differential, which previously had to be submitted for inclusion in the budget, will now be returned to business units for use as primary capital.

The procurement prices and retail prices of consumer goods are to be negotiated by production and business units. The state will only set a retail price scale for a number of essential goods. If price changes require that wage earners and the persons eligible under social policy be subsidized, the state will pay this subsidy directly through wages or directly to policy recipients but not provide a subsidy through prices.

From now on, state-operated units will have the authority to expand the ways by which they attract capital, such as loans, pooling business capital, mobilizing shares and selling shares. Units which meet all the conditions set by the state may directly export goods, borrow foreign capital or pool capital with foreign countries for business purposes.

The Council of Ministers has assigned the State Bank along with the Ministry of Interior the task of formulating plans for the establishment of a Commercial Bank specializing in providing credit to wholesale units of the central level, beginning at three places, Ho Chi Minh City, Hanoi, and Quang Nam-Da Nang.

Ho Chi Minh City Reports on Industrial, Handicraft Production in 1988
42090119a Ho Chi Minh City SAIGON GIAI PHONG
in Vietnamese 30 Dec 88 p 1

[Article by V.H.L.: "Industrial-Small Industry and Handicraft Production in the City in 1988: Total Output Value Increases by 13.3 Percent but Backlogged Products Remain"]

[Text] (SGGP)—In 1988, according to data compiled by the city Statistics Department, the industrial and small

industry-handicraft sector within the city produced 42.7 billion dong in total output value (1982 fixed prices), .5 percent more than planned for the year and 13.3 percent more than produced in 1987.

These results were achieved because, in 1988, many economic units, including units outside the state-operated sector, made investments, upgraded their machinery and equipment and expanded their production, especially the textile, ready-made clothing, leather shoe, food product, electronics and other sectors. Thanks to the Tri An Hydroelectric Power Plant, the supply of electricity to industry increased by more than 10.6 percent over last year. Although the state only provided 20 percent of the supplies and raw materials needed, the city and units, by taking many different measures, managed to mobilize hundreds of billions of dong in supplies and raw materials for production.

However, due to many difficulties, such as the shortage of capital, the shortage of cash, unreasonable export-import taxes, an unreasonable commodity tax, a large increase in the tax on state-operated revenues, a wide gap between exchange rates and the rates at which accounts are balanced internally, rapidly rising material prices and so forth, many of the industrial products produced could not be marketed. At present, the city still has tens of millions of meters of cloth, tens of thousands of bicycles and electric fans, tens of billions of dong in electronic goods...backlogged in warehouses.

Simpler Procedures Suggested for Receiving Money from Overseas

42090119c Hanoi NHAN DAN in Vietnamese
22 Dec 88 p 3

[Article by Dang Van Phung, Hanoi: "Some Suggestions on Sending Foreign Currency to Relatives at Home"]

[Text] The policy encouraging overseas Vietnamese to send foreign currency home is a very correct policy, one which benefits the state and the citizen. But we still see in the implementation of this policy many problems that need to be solved. In early May 1988, we learned that a relative of ours would be returning home for a visit after having been far away for a little less than half a century. To avoid the need for him to carry money with him as he travelled as well as the need to send and receive a bank check through the postal system, we instructed our relative while he was still overseas to send foreign currency to Hanoi and then have someone pick it up for him. We received the first transfer at the Federated Pharmaceutical Enterprise at Number 2 Hang Bai Street in the amount of 200 dollars, which converted into 360,000 dong, and were also given by the enterprise a gift of 2 bags of medicine worth about 10,000 dong. In November 1988, we went to another enterprise to receive 300 dollars, which converted into 600,000 dong (2,000 times 300 dollars). When I brought the money home, I was scolded by my wife and children because, in Can Tho, 1 dollar was being exchanged for 2,700 dong in

early September 1988 and for 3,000 dong in early October, as a result of which I lost 540,000 on the two occasions I received money in Hanoi.

In light of the above, allow me to suggest to the State Bank that it resolve this problem well in order to attract foreign currency from overseas Vietnamese for use in building the country so that the people become prosperous and the country becomes strong.

In my opinion, exchange rates should be re-examined so that persons who receive money do not suffer large losses. We should avoid the thinking that the only purpose for trade is to earn a profit. Nor should we think that overseas compatriots earn their foreign currency easily. Rather, they earn it through their labor and must scrimp and save each dollar they send to relatives in the spirit of caring inherent to our people.

As regards exchange rates, there should not be very large differences from one locality to the next because "water always flows to the lowest spot." Persons who have relatives overseas will tell them to send their money to places where the rate of exchange is high and avoid places where it is very low, such as Can Tho and Hanoi, for example.

In order for overseas Vietnamese to be able to choose where they send their money and to make it as convenient as possible for them to send money, widespread propaganda must be employed to tell people which corporations perform this service and how to send money through a service corporation and through the bank so that the differences, the advantages and disadvantages, of these two methods can be compared.

There is also a need to encourage the establishment of many corporations that exchange foreign currency so that anyone can conveniently receive money at these places and not have to waste time travelling a long distance. For example, persons living in the provinces from Binh Tri Thien northward, must now travel to Hanoi to receive money, which is very bothersome and time consuming. As regards the circulation of dollars within the country, allow me to suggest that the Council of Ministers examine this matter and issue a legal document allowing citizens as well as foreigners in Vietnam to freely carry dollars without any limit on the amount and prohibiting inspections, declarations, and the holding of their dollars. Regarding exchange rates, we should begin by raising them by a reasonable, appropriate percentage and not arbitrarily set rates as is being done now.

Article Focuses on Problems in Haiphong's Industry

42090121a Hanoi NHAN DAN in Vietnamese
20 Dec 88 p 2

[Article by Minh Son: "An Investigation Into Haiphong's Industrial Production: Profit or Loss?"]

[Text] As many directives and resolutions of the Municipal Party Committee and administration have stated,

Haiphong's industrial sector, which is one of the economic strengths of the seaport municipality, is a sector capable of creating large sources of capital and implementing the economic programs set forth in the resolution of the 6th Party Congress.

In 1987, the municipality's industrial sector employed 16,984 workers at 40 enterprises and there were two large-scale federations of enterprises: the Footwear Federation and the Bicycle Federation. The liquid capital of the enterprises mentioned above came from three different sources: the municipal budget, loans, and self-acquired capital. In 1987, these enterprises shifted to cost accounting and business practices, but has the problem of "real losses, fake profits" gone away?

Allow me to present some figures compiled by the Haiphong financial sector. During the first 6 months of 1988, the number of persons on the payroll, instead of decreasing, actually increased by more than 1,000 compared to 1987, raising the total number of cadres and workers to 17,995. If the average price of rice was 500 dong per kilogram, the municipality had to spend 1,340,635,000 dong on the sector. During the first 6 months of the year, the industrial sector had to pay 2.898 billion dong in interest on capital and fixed assets and liquid capital invested by the state (not including some 900 million dong invested by the municipality in capital construction). But the sector only contributed 898 million dong to the budget. Many of the municipality's production and business sectors are also operating at a loss. In summary, since the 6th Congress, the industrial production of the locality has not improved at all and has even declined in some areas, particularly with regard to a number of traditional products.

Why is this? To begin with, it is not the fault of workers. Because, they are diligent and want to have a full day's work and a stable supply of materials. But these things have not happened. Shortages of materials and shortages of work have been commonplace at practically all enterprises. Some resourceful basic units have divided their work, performing some now and saving some for the end of the week or the end of the month. During the first 6 months of this year, the majority of basic production units were only supplied with 30 to 40 percent of the supplies and raw materials allocated under their plan. Practically all basic units are utilizing only 30 to 50 percent of their production capacity.

Secondly, many enterprise directors, accustomed to operating under subsidies, are very confused by the state's determined efforts to dismantle the mechanism of investments through credit and do away with some subsidies within the field of bank finance. Management is decentralized and lacking in integration and well coordinated changes have not occurred among the various sectors in order to develop the strengths of the locality.

Thirdly, the municipality's industry is an industry that works under contract, has no raw material area of its own and primarily relies upon the outside and the upper level for materials at a time when the economy of the entire country is imbalanced. This has led to surplus production capacity and a shortage of supplies and raw materials.

Fourthly, most of the machinery and equipment of basic industrial units is in poor condition, outmoded and unmatched. This is not the case at a number of other places, such as Ho Chi Minh City and Hanoi. The average grade of workers is not high, consequently, units are unable to sign many contracts, unable to accept many orders from domestic and foreign customers. Even in the wool rug trade, a traditional trade, although output is high, quality has stood still. Product designs and production equipment have not been upgraded to keep pace with needs on the world market.

Fifthly, since the state issued the Law on Foreign Investment in Vietnam which should have provided an opportunity to acquire capital and materials, foreign producers and businessmen have continued to be very reluctant in business relations with Haiphong. There are many reasons for this. However, perhaps the municipality is not entirely ready to address this matter. For example, there is no apparatus of specialized personnel. On the other hand, the infrastructure of the municipality is outmoded compared to a number of other municipalities. Haiphong's electricity, water and road networks, warehouses and storage yards, communications, tourist facilities, services and banks make it virtually impossible to accept investments from foreign countries.

With such being the situation in production and business, where do they find the money to pay bonuses, to pay wages for a 13th and 14th month?

We raised this question with the director of the Finance Service. Without hesitating, he informed us: many enterprise directors are not pleased about this, but it is a fact with which we live. Practically all basic industrial units have eaten into their fixed assets and into the price differential by buying and reselling supplies and raw materials. Over the past several years, the state has raised input prices many times but no one conducted a serious warehouse inventory in accordance with economic and financial management regulations prior to adjusting prices. Many basic units sold the supplies, raw materials and goods in their warehouses at new prices or used them in production and sold these goods to earn a profit at the adjusted price. For example, at the start of the year, cement cost 25,000 dong per ton. It subsequently rose to 45,000 dong and then to 70,000 dong. Similar price changes occurred with many other products. But supply prices continue to be plan prices, business support prices and negotiated prices, thus creating disorder in economic management discipline.

As regards bonuses, bonuses for the completion of quarterly, monthly, and yearly plans are not based on the legally binding norms assigned at the start of the year, but mainly on the adjusted plan. The adjusted plan is based on a report by the basic unit. It must be exceeded in order to earn a full wage and a high bonus. Along with the evaluation of the completion of plans is the evaluation of eligibility for a medal, banner, certificate of commendation, and other titles. The agencies that perform emulation work and the work related to praise and bonuses rely mainly upon the report of the basic unit but also take into consideration the opinions of the level above the basic unit. And, virtually every leader on this level wants many units in his sector to exceed their plan and receive praise and a bonus, the more, the better. This not only benefits the sector of which he is in charge by allowing them to keep a higher percentage of their profits, but the leader himself is also evaluated as a person who is able to manage the sector. This can lead to a promotion or raise. During the past 10 years, one sector has "trained" for the municipality a rather large number of leadership cadres. Meanwhile, its production norms, particularly the production of this sector's traditional product, have declined many times compared to 5 or 10 years ago.

In view of the situation described above, it is necessary to take a new approach in evaluating the completion of plans and considering whether or not to make awards and pay bonuses. Instead of relying solely upon the value of total output, we should, in the case of production and business, make economic returns the standard of measurement, make profits truly the most important standard.

Recently, in line with the views on renovation, the Standing Committee of the Haiphong Municipal Party Committee held an enlarged session to prepare for evaluating the socio-economic situation of the municipality 2 years after the implementation of the resolution of the 6th Congress. The party committee squarely faced the truth, correctly evaluated the truth, openly pointed out shortcomings and limitations and, on this basis, developed practical ways to accelerate industrial production with economic returns being the standard of foremost importance.

Army Unit's 'Intense' Training Pays Off
42090118a Hanoi NHAN DAN in Vietnamese
26 Dec 88 p 3

[Article by Colonel Le Hoe: "1988, A Good Training Year for Special Operation Group 3"]

[Text] During a year of each army unit's combat training there are so many things that need and wish to be said. For Special Operations Group 3 what created an impression first of all was that 100 percent of the training subjects given out to the detachments were carried out well, with 80 to 85 percent of the troops regularly participating. The training of detachments routinely goes

deeply into basic technical subjects, the basic performance of the soldier, and coordinated combat training in teams, combat prongs, and small detachments such as squads and platoons. It is usually that way for units in any branch. But for special operations troops, this work is even more intense because the special operation's fighting method is a special method. Meeting standards is a tremendous effort by the cadres and soldiers in the group, as Lieutenant Colonel Hoang Manh Thoi, the group commander, has stated. There is preparation of the coursework, the drill field, and study materials, and advanced training for squad and platoon cadres. Meanwhile, you still have to be concerned with productive labor, satisfactorily organizing material and spiritual life, and stabilizing daily meals so there is strength for training. Therefore, you only need the commander to be engulfed for a moment in crop growing or livestock raising, taking off a few minutes today, a few people and subjects the next day to save forces and time for productive labor, until all of a sudden the balance between training and ensuring life has been skewed to the latter. When this situation occurs, you obviously cannot reach the numbers cited above. More specifically a step further, we note that of the eight technical subjects three scored excellent and five were good, and of the seven tactical subjects all scored good. But is this any assurance in live combat or not? This is a difficult question, but it has been answered in Special Operations Group 3. There is always a distance between live combat and training. The shorter this distance the better. To do this, one must inspect and drill many times. The inspections in Group 3 did not stop with reviewing performance but instead were taken out to the drill field with structures similar to the battlefield. Grading 15 signal and liaison subjects, 3 were excellent, 11 good, and 1 satisfactory. Grading five reconnaissance subjects, two were excellent and three were good. Grading the live firing of three detachments, two scored excellent and one good. This does not include political study which is also categorized good, logistics, good, and participation in military drills won second place. The percentage of disciplinary infractions at the end of 1987 and the beginning of 1988 was 5.8 percent; this had fallen to 1.5 percent by the end of the 1988 training year. All say that the more military training is tied to politics, indoctrination, physical training, and maintaining army discipline, the higher and firmer the results for each department and each subject in each aspect and for the overall military training program in general as well as the detachment in particular.

As for productive labor and organizing life as Thoi, the commander, stated: Through the experience of several years before and in 1988, this work has entered a stable position; planning for the months at the beginning, middle, and end of the year and for the cushion month and planning to interleave training and productive labor for the entire group and each nexus within the group do not permit working in a rush and without planning as a number of cases which have occurred. The thorny case in balancing the plan is for the group leaders and command to make the training effort central while still considering

productive labor as a very important task. One hundred percent of the mess halls in the group have tables and chairs for the troops. The quantitative standard is guaranteed by accepting all of the products supplied and increasing management of the grain, food, finance, and cooking equipment. Thanks to this, every instance of shortages, losses, and corruption is limited. With a value of more than 20 million dong produced for the year, the group not only puts a portion into meals but also buys additional clothing, blankets, hats, and shoes for cadres and soldiers, subsidizes a number of people in the flood and storm area, and extracts a small percentage for emulation awards. Also through this the group draws useful lessons on fairness, democracy, and openness in handling and distributing sources of profit from productive labor and ensures the highest concentration for daily meals. Doing so correctly embodies the fruits of labor which are the result of the collective's efforts and does not permit the cadre to have priority over the soldier. Thus, it not only creates additional conditions for training but also creates an atmosphere of enthusiasm for and satisfaction in building a strong, all-round unit.

Nghe Tinh Road Linking Laos' Bolikhamsai Upgraded

BK1302083889 Hanoi VNA in English
0725 GMT 13 Feb 89

[Text] Hanoi VNA February 13—The 180-kilometer Road 8A linking Vietnam's central province of Nghe Tinh and Bolikhamsai Province of Laos is being expanded and upgraded.

This is a Grade-4 road—4-meters wide across the mountains and 7 meters wide across the plain.

Since construction started in March 1986, 2,256,000 cubic meters of earth and rock have been moved, 72 kilometers macadamized and 85 kilometers asphalted.

The work, undertaken by the Communications Unions 4 and 8 and the Communications Service of Nghe Tinh Province, is expected to be completed by 1990.

Import-Export Difficulties Concerning CEMA Countries

42090123 Hanoi NHAN DAN in Vietnamese
16 Dec 88 p 3

[Article by Ngo Van Hai, Ministry of External Economic Relations: "Why Are Business Organizations Engaged in Imports and Exports with Area I Encountering Severe Difficulties?"]

[Text] During the past few years, import-export business organizations have encountered increasing difficulties: with a shortage of capital and no funds or goods to ensure exports or business autonomy. Meanwhile, the

obligation to deliver export goods to the central government constantly urges these units to fulfill their responsibilities to the state. A common condition has and is occurring: the more exports are made to Area I, the greater the losses, and the more export goods are delivered to the central government, the more severe the difficulties encountered. Consequently, the tendency is to want to export to Area II.

Why does such a situation exist? What is the substance of the problem?

Imbalance in Mechanism of Imports-Exports Between Two Areas

Our country presently has two import-export mechanisms existing side by side.

First is the import-export mechanism centralized from the state plan and with centralized accounting through the state budget system. This mechanism is primarily conducted with the Soviet Union and other nations in the Council for Mutual Economic Assistance (CEMA) following various protocols. With this mechanism, export goods follow protocols of delivery by sector and local import-export business organizations to the central government according to plan with the central government making payment in cash or materials and with losses compensated by the budget; while the state conducts centralized distribution of the entire import goods value to sectors in the national economy in accordance with plan norms and at supervised prices.

Second is the self-balanced import-export mechanism of sectors and local areas. This mechanism is primarily implemented in the Area II market.

Here, import-export business organizations achieve self-equilibrium, use import profits to compensate for export losses, and have an obligation of contributing to the local or sector budget from profits made in their import-export business; and of paying taxes and making foreign exchange remittances to the central government.

With the import-export mechanism centralized from the state plan and budget, the import and export steps have been separated; while centralized obligations and capital benefits are separated and are an internal requirement of business production activity; clearly expressing bureaucratic centralism and state subsidization, and failing to originate from renovation of the mechanism based on commodity production with a total shift of import-exports to business activity. Surprisingly with this mechanism, the state budget must compensate for the losses of a field of economic activity that commonly returns to the budget a fairly large source of revenue, because it constantly has "comparative safeguards" in its international trade relations. Under the present conditions of our country, despite still low labor productivity and technical standards, there are the potential capabilities and strengths of tropical agriculture and a correct mechanism

and good working procedure would return great sources of revenue to the budget and encourage increasingly greater production of good quality export goods.

Conversely, with the self-balanced import-export mechanism, the import and export steps are closely connected from the very beginning of business calculation, buying and selling are connected, producers and consumers are connected, and profits are clear, prompt and punctual in each import-export schedule.

Consequences for Import-Export Business Organizations

In import-export relations with countries of Area I, according to the signed protocols, a ratio of 1 to 3 is generally still maintained (that is, our exports at 1 and our imports at 3).

Because of the mechanism of regulating import goods by separating the export and import steps, the state previously distributed all total annual import material and commodity value to sectors of the national economy at a low price level. With this distribution formula, each sector and local area "enjoyed" a little; while export goods producers and import-export business units are still waiting for this import value to "enjoy" later! Meanwhile, the state budget has encountered difficulty, with no capital to promptly compensate for losses; if payments are made in Vietnamese currency, the internal settlement exchange rate, that is a rate of exchange freed from the buying power of the dong which previously (before 15 September 1988) was equal to only 10 percent of the actual export goods purchasing exchange rate, since 15 September 1988 has been readjusted but is still only about 50 percent of the actual purchasing exchange rate for delivery to the central government (this calculation leaves out the "passive fees" in buying and selling export goods).

Therefore, import-export relations with Area I following a centralized mechanism with a theme of paying for export goods and distributing import goods according to a system of state-subsidization has caused import-export business organizations to encounter severe difficulties in the follow aspects:

- Export goods are delivered to the central government as obligated but a corresponding volume of materials and commodities is not received;
- Export goods are delivered to the central government but prompt capital resupply and punctual payment are not achieved.
- If payment is made in Vietnamese currency, the exchange rate is too low and capital is insufficient for export goods re-creation in accordance with simple production reproduction requirements.

In a situation of frozen capital, these economic units are forced to borrow increasingly greater amounts of bank capital, with high interest rates and time limit penalties, and economic units are increasingly caused to exhaust their capital due to causes not caused by them. Debts mount and confusion exists from one year to the next in each echelon and sector.

At the end of October 1988, the number of ministry-subordinate import-export general corporations still owing local import-export goods production facilities was fairly large: VINACAPHE 4.7 billion dong, VEGE-TEXCO 9 billion, AGREXPORT 1.5 billion, ANIMEX 1.06 billion, etc.; and nearly all the general corporations had debts of about 1 billion dong and less. The total debt owed by the central government to local areas before the end of 1987 was 70 million rubles; with only 40 million rubles in material repaid by the end of September 1988. This is not counting the debts incurred during 1988 of about 100 million rubles.

What do we think when pushing all the difficulties on the producer of export goods and import-export business organizations?

Meanwhile, with the self-balanced import-export mechanism of sectors and local areas, import profits are made to compensate for export losses, a close connection is made with the current budget distribution mechanism, and many sectors, local areas and economic organizations compete with each other to purchase crops, animals and special products of great export value to Area II; while simultaneously striving to import consumer goods producing a price difference in the domestic market, not only enough to compensate for the losses incurred in purchasing export goods but also profits for deposit in local or sector budgets.

Practice during the past few years indicates that the self-balanced import-export mechanism has positively affected the production and lives of many local areas. Under conditions in which the country has not yet thrown off the constraints of assigning export goods to the central government or met the urgent requirements of capital, production and life, achievement by sectors and local areas of a self-balanced import-export mechanism is an urgent internal requirement of each sector and local area.

However, observed from a viewpoint of overall benefit to the national economy, forcing sectors and local areas to continue to run after this mechanism is not advantageous.

Quickly Change Import-Export Mechanism for Area I

In economic relations with other countries in the world, it must be asserted that the relationship with CEMA in general and the Soviet Union in particular is long term, basic, stable and firm in both the political and the economic benefit aspects.

In international relations, economic and foreign trade relations are usually thought to be "servants" opening the way for diplomatic and political relations between countries. However, this is not correct regarding the nature of the strategic alliance relationship between our country and other countries in Area I. This is because to us, the external economic relationship increasingly develops both in breadth and in depth in each nation's economy. Therefore, upholding true economic effectiveness in the external economic relationship in general, and in imports and exports in particular, between our country and Area I has not only realistic significance in the economic aspect but also is of greater significance in the process of strengthening the strategic alliance between the countries of Area I, first of all with the Soviet Union. This must be achieved by effective actions and economic strength originating from a concept of the complete responsibility and obligation of each nation to all other nations in the alliance, and vice versa.

One urgent requirement is to quickly correct the import-export mechanism for Area I with a need to completely shift imports and exports to business activity; closely connecting exports and imports and allowing business units exporting to Area I to earn equal or higher profits than when exporting to Area II; and successfully resolving the needless difficulties of import-export business units and individuals producing export goods with the viewpoint of liberating every production capability of economic elements to produce increasingly greater amounts of export goods with increasingly higher quality and ensured international pledges.

To achieve this, the state must first extract a portion of the export value to create a source of commodity materials (added to part of the commodity materials available within the country) for punctual and prompt payment to units producing and dealing in export goods in accordance with plans of the central government. In addition, the state must only use a portion of the trade deficit material and commodity value produced by borrowed capital and a portion of export profits for distribution to state plan objectives.

With a mechanism of import material supply as above, it is only necessary to extract and sell an amount of import materials worth about 50 percent of the export value at a "flexible price" to have sufficient capital and cash to purchase export goods at a "flexible" price; with the remaining portion of the export value considered as export profit belonging to the budget's source of income.

In foreign trade activities, whenever the export goods exchange rate is greater than that for import goods, the state budget will have a net receipt, generally counting both exports and imports.

Through the calculations of many related sectors, the present situation of our import and export goods market has and is accurately reflecting that principle, naturally dependent upon the structure and variety of imported materials and commodities presented for distribution on the market.

For several years however, due to our mechanism and means of operation, foreign trade has lacked effectiveness and losses have had to be compensated from the budget, creating difficulties for import production and business facilities.

With import commodity material funds reserved to pay economic units delivering export goods in the protocols, it is necessary to assign each export goods business production sector or managing ministry the control of subordinate economic units, following a business sales price formula in order to purchase export goods at an agreeable price; or use those commodity material funds to achieve a commission formula for local areas and facilities producing export goods. With this formula, import-export business production units are responsible for selecting the best plan for collecting export goods. Of course, the handling of these material and commodity funds is conducted only on paper, while the material resource depository is still concentrated at a center of general material and equipment business corporations subordinate to the Ministry of Supply to avoid maintenance and storage expenses.

Only on the basis of changing from the very roots the planning mechanism in close connection with that of imports and exports regarding Area I can truly great results and profound political significance be achieved, maintaining the inherent economic nature of Area I import-export activities.

Import-Export Duties Cause Heavy Losses
42090122 Ho Chi Minh City SAIGON GIAI PHONG .
in Vietnamese 10 Dec 88 p 2

[Article by Khac Binh: "Businessmen, Producers Talk About Import-Export Duties"]

[Text] Ho Chi Minh City has hundreds of units producing export goods. The city's exports account for 20 percent of the entire nation's export value.

With the manufacture of many export products and increase in sources of foreign exchange, profits should increase and the businessman and producer should be enthusiastic. However, this is actually not the case. Those engaged in import-export business production management have "screamed" that the more export products are produced and the greater the increase in foreign exchange, the greater the losses to the businessman producer due to current irrational import-export duties on trade goods. Import-export duties at the present time are truly discouraging the import-export businessman producer, and limiting our competition on the world market.

Units exporting aquatic products must still remit 20 percent of the foreign exchange figured in accordance with the port export price (FOB, including a 10 percent final delivery fee and a 10 percent exchange return at 900 dong to the dollar), and 5 percent of the foreign exchange

as an obligation to the local area (including a 60 percent exchange return in accordance with the actual export rate of exchange). For shrimp and squid goods, the export duty is 15 percent of the port sales (export) price at the exchange rate of 900 dong to the dollar. Export service fees are 1.5 percent of the export value in foreign exchange. Agricultural product export business units must also remit to the central government 10 percent of the foreign currency exchange return at the internal rate and pay an export duty of 10 percent. Export goods, supplies, raw materials supporting production and consumer goods are taxed twice: with an import duty and an import commodity tax figured in accordance with the import goods wholesale price less a material or trade discount. Up to 90 products are subject to trade goods export and import duties of from 5 to 50 percent of the calculated tax price; and 17 product groups and products are subject to trade import commodity taxes of from 10 to 80 percent of the import value and 1 percent in import fees in foreign exchange.

Something that cannot be understood is that while many developed industrial countries are subsidizing or waiving export duties, we are charging them, further increasing prices and preventing us from competing in the market. The duty on export goods must be paid in full within a period of 3 days, and import goods must have the duty paid in full before receipt. With taxes piled upon taxes, import-export business units must "run" to borrow money from many sources and still do not have enough to pay the duties. To do so in full, they must extract a portion of their capital. The Municipal General Import-Export Corporation (IMEXCO) at this time is still short 3.5 billion dong in duties and cannot pick up goods it has imported. Hundreds of other units unable to borrow enough to pay the taxes must advance an additional part of their business production capital to pay import or export duties.

Frozen Food Enterprise 1 of IMEXCO exports 1 kilogram of category 3 or 4 frozen shrimp at a price of 5.5 dollars and then imports goods at a high rate of exchange (monosodium glutamate for example) to fulfill its obligations to the central government and the city, paying a variety of taxes and import-export fees. After one round of exporting shrimp and selling imported goods, the loss per kilogram of exported category 3-4 frozen shrimp amounts to 4,000 dong. If the remittance up to this time remained the same but the export duty rate was reduced (in accordance with the newest draft bill of the central government on revising the table for import-export duties on trade goods), the enterprise would still suffer a loss of more than 1,200 dong in exporting 1 kilogram of category 3-4 frozen shrimp, and a loss of 1.2 million dong (compared with the present loss of 4 million dong) in exporting 1 ton of category 3-4 shrimp. On the average, in exporting a volume of goods worth 1 million dollars, the enterprise must suffer losses of nearly 1 billion dong. Many agricultural and marine product export business units in the city have also suffered such losses after one import-export round. A heavier loss as

exports increase was an unprecedented occurrence to import-export business units before the policy of import-export duties on trade goods. Despite the losses, operations must continue in order to obtain foreign exchange for importing supplies, raw materials and equipment essential to production and consumption. The Marine Products Export Corporation (SEAPRODEX) has preliminarily estimated that from the time the policy on import-export duties for trade goods was implemented until the end of this year, losses will amount to about 45 billion dong. The Municipal Export Marine Products Corporation (SAFICO) estimates that total remittances and various kinds of import-export duties account for up to 20 percent of the cost of export products (figured at the general exchange rate of 900 dong to the dollar). Many other import-export business units say that remittances and import-export duties make up 20 to 30 percent of export product costs. Actually, our import-export business profits at the present time do not reach 20 percent, and units must naturally use production capital to compensate. Import-export duties have in substance directly participated in driving up the prices of imported goods, domestically produced products from raw materials, and imported semifinished products, and have jacked up commodity prices prior to their circulation. Recently, import-export business production units in the city had to sell a fairly large volume of goods worth about 10 million dollars at a loss.

The SEAPRODEX Corporation had to sell a large volume of supplies and imported commodities worth nearly 20 million dollars at a loss.

Generally speaking, the import-export businessman and producer is in a constant nervous situation due to the unbearably heavy trade goods import-export policy.

Because imports and exports hold an important position in the economy, and directly participate in creating budget sources and mutually assisting economic sectors in the country to develop, there must be a policy of encouraging import-export business production economic elements, and a policy of assistance for a number of goods to encourage exports. Many import-export business production management cadres say that the state must abolish the system of export remittances during implementation of the trade goods import-export duty policy; and must only tax a number of products to discourage exports or imports. Import-export duties on trade goods must only be applied to the profits portion to avoid a situation of "eating" into business and production capital.

SOCIAL

National Assembly Deputies Asked To Act in Coming Session

42090102 Ho Chi Minh City SAIGON GIAI PHONG
in Vietnamese 3 Dec 88 pp 1, 2

[Article by Hoang Van Khang: "Meeting of Representatives of Municipality's Voters With National Assembly Deputies—Urgent Problems in People's Daily Life Cannot Be Left out of Agenda of 4th National Assembly Session"]

[Text] Yesterday, 12 December, about 100 voters' rep-

representatives (later the total increased to more than 200) came to the Friendship House, many as early as 0730 hours, to meet with the municipality's National Assembly (NA) deputies and to ask the NA to resolve the urgent problems in their daily life in its 4th session this month. Right after Professor Ly Chanh Trung, deputy chief of the delegation of the municipality's NA deputies, had finished summing up the opinions that voters have offered at recent meetings in the precincts and districts and with various sectors and strata of society, dozens of people registered their names to speak and many already-drafted resolutions were sent up to the chair.

The first speaker, Huynh Van Tam, immediately raised the question of tax policy. Without going into details, he asserted that there are serious irrationalities in connection with the current policy, which greatly harms production and daily life. The answer of the Ministry of Finance (published in SAIGON GIAI PHONG on 30 November 1988) in a letter signed by Vice Minister Tran Tieu is unacceptable! Tu Quoc Vinh, a representative of ethnic Chinese voters and an 8th Precinct producer, had this to affirm: "The irrationalities in the tax policy is an important reason behind the standstill in production, instead of the other reasons mentioned in Tran Tieu's letter being solely responsible for it." The audiences expressed their agreement and repeatedly applauded the above-mentioned opinions.

Another problem that has caused a lot of excitement is the conflict over farmland in rural areas. According to four out of 10 opinions expressed at the meeting, the NA was asked to study a revision of the land law and to resolve in time the loss of solidarity in the countryside due to past mistakes, which have led to a loss of farmers' confidence in the party and state. Nguyen Ba Nghe, a representative at the meeting and an industrialist, specifically pointed out the irrational aspects of the state's foreign trade policy, including an extremely irrational customs policy, which brings about great losses for the national economy. Further developing this opinion, Ngo Cong Duc believed that irrational economic policies not only create difficulties for the people but also turn the state unwillingly into a speculator and a maker of high prices and price differences, as well as cause a standstill in circulation, distribution, and production.

In the face of society getting worse everyday, many representatives bitterly cited the failures in education and public health. Dinh Huu Quyen, a teacher at Nguyen Du School; Huynh Cong Minh, head of the 10th Precinct Office of Education; and Ngo Cong Duc expressed their great concern about the "deteriorating" state of education today and said that it would be necessary to revise the Constitution to allow the establishment of private schools and hospitals.

In their speeches, Ho Ngoc Nhuan and Lawyer Ho Van Thang stressed the restrictions that now exist in social democracy and in the NA's authority and role. Ho Ngoc Nhuan believed that the activities of the elected organs

have been merely formal and even "have lacked form." The deputies elected by the people do not have real authority, a fact that also limits the democratic rights of voters. Trinh Xuan Truong proposed that an administrative system be set up to let NA deputies work in a professional manner so as to make their work really effective. Many speakers asked the NA to immediately review and revise the laws that regulate the elections and the organization of elected organs. On the basis of recognizing the actual work of the recently-elected organs, the voters' representatives proposed that the municipality's delegation of NA deputies struggle hard to make the voters' aspirations come true at any cost.

Although it was getting too late, with more than 10 speakers having expressed their opinions and many resolutions having been sent up to the chair, the meeting continued. A number of representatives stood up to speak without leaving their seats. A resolution bearing the signatures of more than 20 retired cadres was submitted for a vote. The resolution made the following points:

- The NA should change the tax policy. In the meantime, the Council of Ministers should apply the tax policy that the Municipal People's Committee has recently submitted to it.
- To include in the agenda of the coming session the revision of the Laws on electing members of people's councils at different levels and on organizing people's councils and people's committees at different levels; otherwise to postpone the forthcoming people's council elections until the passing of a new law. To revise the Land Law, the NA should send a delegation of deputies to join with the CPV Central Committee and the government to conduct inspection and to promptly resolve the land dispute in rural areas.
- To revise a number of articles in the Constitution to suit the real situation in the country. As an immediate step, to allow the establishment of private hospitals and schools, including private colleges.

The voters' representatives spent quite a lot of time to weigh the good and the bad, to consider many opinions, and finally to arrive at a consensus: to propose the use of the NA's authority in the coming session to remove those responsible deputies who have refused or have had no ability to carry out the renovating effort, and have recently adopted and applied the policies and measures considered detrimental to the economy. They actually proposed a resolution asking for dismissal of the Minister of Agriculture and Food Industry, the Minister of Finance, and a number of officials.

Progress, Problems Reported in Family Planning
42090120a Hanoi NHAN DAN in Vietnamese
6 Dec 88 p 3

[Health column by Professor Pham Song, general secretary of the National Commission on Population and Family Planning: "Existing Problems in Population Work and Family Planning"]

[Text] In the 2 years that we have been implementing the resolution of the 6th Congress, the following results have been achieved in population work and family planning: the birth rate has declined from 27.82 percent to 27.26 percent; the death rate has declined from 6.95 percent to 6.7 percent; and the rate of natural population growth has declined from 20.8 percent to 20.56 percent. The overall birth rate declined from 3.58 percent to 3.49 percent (1987). The number of married women practicing birth control has risen from 36.4 percent to 44 percent.

However, because it is young, the population continued to grow in 1987, by 1.393 million, and in 1988, by 1.361 million. The reason behind these results is the special attention given to family planning in recent years.

In 1988, population work and family planning were actively launched from the central to the local levels. The Public Health and Social Welfare Committee of the National Assembly was reorganized prior to the third session of the 8th National Assembly.

The Council of Ministers held a plenary meeting to discuss population and family planning policy and subsequently finalized a decision that was promulgated on 18 October 1988.

Actually, population policy is an issue concerning which it has been easy to reach agreement in principle. But when discussing the specific decisions to be made, this issue becomes very complex, affecting as it does the rights of people and current law. Thus, there is a wide range of thinking concerning it. In fact, the party and state have been addressing this issue since 1962 but it was not until 1988 that a uniform, nationwide policy was adopted. A population work and family planning budget has been included in the 1989 list of state budget items submitted to the National Assembly for examination and approval.

The participation of the central sectors has been marked by clear changes in organization and the themes of activities and has begun to support the requirements of the national population program.

The Science and Education Department of the Party Central Committee has held many seminars on social policy and population-family planning policy, which

have included the National Science and Education Conference on this subject, a conference which has brought about a change in awareness by party committees and local administrations.

The State Planning Commission, together with the National Population Commission and the concerned ministries and sectors, has evaluated the work done during the past 10 years and formulated a plan for this work in 1989, a plan which involves more precise standards and balances goals with the materials and budget of the state and aid accounts.

The Ministry of Finance has joined with the National Commission on Population and Family Planning to issue a joint-sector circular on budget requirements for population work and family planning in the provinces and municipalities. The Ministry of Education has strengthened the sector's Population and Family Planning Committee and adopted practical activity themes. It has established population work and family planning as one of the required areas of work of educators in their effort to build families of the new culture and as one of the areas of change under educational reform. The Ministry has incorporated, to varying degrees, its program in population education in the curricula within the systems of education of each province. The Ministry of Information has defined the specifics involved in propaganda concerning population and family planning and the responsibility of all levels of the information sector in organizing and conducting propaganda activities concerning population and family planning.

The mass media have written numerous articles in many different genre and increased the number of hours and shows dedicated to this subject on radio and television. The Statistics General Department has conducted a pilot project census and is making preparations for activities in support of the 1989 general census. The Ministry of Labor and the Social Sciences Commission have held many conferences on population and labor, on population and jobs and on population and migration while also conducting many investigations and much research into the mood of society and the issue of population and family planning. The Central Committee of the Ho Chi Minh Communist Youth Union has trained all permanent cadres of the provincial and district Youth Union organizations throughout the nation in population work and family planning and defined the assault role and the responsibility of youths in the population and family planning program. The Central Committee of the Women's Union has guided the various levels of the union in paying closer attention to the quality of population and family planning activities. In particular, it has headed an investigation into the knowledge, attitude and behavior (KAP) of 5,000 women in three provinces concerning population work and family planning. The Confederation of Trade Unions has strengthened the sector's Population Committee and adopted specific themes. The Ministry of Public Health has strengthened the public health network on the basic level, developed

planned parenthood technical service centers in clusters of villages and accelerated the implementation of its various programs to protect mothers and children, particularly the expanded vaccination program for children, the nutrition program and the program to combat dysentery among children. The public health sector has also appropriately improved its training and supplementary education program for cadres working in the fields of the protection of mothers and children and family planning. At the same time, it has provided a full supply of birth control devices, drugs and public health implements to support planned parenthood.

To date, 15 provinces and municipalities have upgraded their population and family planning program to the level of key programs equal in importance to the three major economic programs. In addition, 16 provinces and municipalities have strengthened their Population and Family Planning Committees by assigning additional specialized cadres to these committees. In particular, Nghe Tinh, Tien Giang, Hai Hung and Dong Thap Provinces have strengthened the staffs specializing in this work on the district and precinct levels. Some provinces and municipalities, such as Thai Binh, Vinh Phu, Tien Giang, Nghe Tinh and Ben Tre, submit weekly and monthly reports on the progress being made in population work directly to the secretary or chairman. In some provinces, the population work and family planning budget has steadily increased. Many provinces have socialized population work by mobilizing the various sectors and mass organizations to participate in guiding population work and family planning (Thai Binh, Vinh Phu, Tien Giang, Hanoi, Nghe Tinh, Ha Son Binh and Ben Tre). Tien Giang Province has mobilized the various religions, mobilized religious leaders, priests and nuns to participate in population work and family planning. Dong Nai Province has made population work and family planning one of the standards of families of the new culture. In particular, Thai Binh has met its target of 13.6 percent for natural population growth in 1988 and is working to achieve 11 percent in 1990.

General speaking, however, the results achieved do not meet requirements. In 2 years, the average birth rate has only declined by 0.3 percent. The percentage of women giving birth to their third child or more is high (43.2 percent in 1987). The percentage of women giving birth prior to the age of 19 (18 percent) and after the age of 35 (14.2 percent) is still high.

The percentage of persons practicing birth control measures is still low (44 percent). The cause of this situation is the failure to correctly establish the position and importance of population work and family planning within the socio-economic program of the locality. As a result, an appropriate investment is not made in providing leadership and guidance and the various sectors and mass organizations are not mobilized to participate. Rather, everything is left up to the public health sector and the Women's Union.

A number of sectors, particularly the youth oriented sectors, have yet to conduct positive activities.

From the central to the basic levels, population and family planning committees have not been properly strengthened organizationally. They lack competent specialized personnel and good working conditions. Therefore, the results of management and activities under the population program are not high.

Educational work and propaganda efforts have yet to reach deep into the countryside. Consequently, the people at many places have no knowledge of the various birth control measures from which to choose. At many times and places, birth control measures are imposed along with many stringent requirements and without any attempts to heighten the awareness of the people.

The work of registering and keeping statistics on births, deaths, changes in the population and the number of persons voluntarily adopting birth control measures is not being performed well. As a result, the statistics on births, deaths and marriages are incomplete and the data used to support planning are inaccurate.

The planned parenthood technical service centers have not been widely developed. They still lack implements, technical cadres and village midwives. The use of birth control measures is not closely observed or managed. Many localities have not done a good job of combining the protection of mothers and children with family planning.

Recently, shortages of implements used in planned parenthood technical services have developed in various localities at a time when there is a rather large supply of these implements in the warehouses of the enterprises and the Material Supply Corporation of the Ministry of Public Health.

If, in view of the situation described above, there is not a stronger investment of leadership and guidance on the part of the various levels in population work and family planning in the next 2 years, we cannot achieve the norm of 1.7 percent by 1990.

The targets for 1989 are: a 2.72 percent birth rate; holding the death rate at 0.7 percent; a 2.02 percent natural growth in the population; and a total population of 65,110,000. To meet these targets, the percentage of persons using birth control measures must be increased to 47 percent (in the 26 densely populated provinces). The state must invest 13 billion dong in the development of technical service centers and in professional activities, along with the aid received from the United Nations' Population Fund. To do this, the entire party and all the people must work together. The central state and the party committees and administrations on all levels must come forth and mobilize all society to participate in order for this work to develop rapidly and steadily.

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